

United Nations Development Programme

Financial report and audited financial statements for the biennium ended 31 December 1993 and Report of the Board of Auditors

General Assembly
Official Records • Forty-ninth Session
Supplement No. 5A (A/49/5/Add.1)



United Nations • New York, 1994

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.

[16 July 1994]

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ABBREVIATIONS

| | |
|--------|--|
| ADB | African Development Bank |
| AFESD | Arab Fund for Economic and Social Development |
| AsDB | Asian Development Bank |
| CIDA | Canadian International Development Agency |
| EBRD | European Bank for Reconstruction and Development |
| ECA | Economic Commission for Africa |
| ECE | Economic Commission for Europe |
| ECLAC | Economic Commission for Latin America and the Caribbean |
| ESCAP | Economic and Social Commission for Asia and the Pacific |
| ESCWA | Economic and Social Commission for Western Asia |
| FAO | Food and Agriculture Organization of the United Nations |
| IAEA | International Atomic Energy Agency |
| ICAO | International Civil Aviation Organization |
| IDA | International Development Association |
| IDB | Inter-American Development Bank |
| IFC | International Finance Corporation |
| ILO | International Labour Organization |
| IMF | International Monetary Fund |
| IMO | International Maritime Organization |
| IPF | Indicative planning figure |
| ITC | International Trade Centre |
| ITU | International Telecommunication Union |
| OPS | Office for Project Services |
| UNCDF | United Nations Capital Development Fund |
| UNCHS | United Nations Centre for Human Settlements (Habitat) |
| UNCTAD | United Nations Conference on Trade and Development |
| UNDCP | United Nations International Drug Control Programme |
| UNDP | United Nations Development Programme |
| UNEP | United Nations Environment Programme |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNFPA | United Nations Population Fund |
| UNFSTD | United Nations Fund for Science and Technology for Development |
| UNHCR | Office of the United Nations High Commissioner for Refugees |
| UNIDO | United Nations Industrial Development Organization |
| UNIFEM | United Nations Development Fund for Women |
| UNITAR | United Nations Institute for Training and Research |

| | |
|---------|---|
| UNRFNRE | United Nations Revolving Fund for Natural Resources Exploration |
| UNSO | United Nations Sudano-Sahelian Office |
| UNV | United Nations Volunteers |
| UPU | Universal Postal Union |
| WHO | World Health Organization |
| WIPO | World Intellectual Property Organization |
| WMO | World Meteorological Organization |
| WTO | World Tourism Organization |

LETTERS OF TRANSMITTAL AND CERTIFICATION

29 April 1994

Sir,

Pursuant to financial regulation 16.1, I have the honour to submit the financial statements of the United Nations Development Programme for the biennium ended 31 December 1993, which I hereby approve.

Copies of these financial statements are also being transmitted to the Advisory Committee on Administrative and Budgetary Questions.

I certify that, to the best of my knowledge, information and belief, all material transactions have been properly charged in the accounting records and are properly reflected in the appended financial statements, numbered I to XXVII, and supporting schedules, numbered 1 to 11.

Accept, Sir, the assurances of my highest consideration.

(Signed) James Gustave SPETH
Administrator of the
United Nations Development Programme

(Signed) Peter M. LESLIE
Director
Division of Finance
United Nations Development Programme

The Chairman of the Board of Auditors
United Nations
New York

30 June 1994

Sir,

I have the honour to transmit to you the financial statements of the United Nations Development Programme for the biennium 1992-1993 ended 31 December 1993, which were submitted by the Administrator. These statements have been examined and include the audit opinion of the Board of Auditors.

In addition, I have the honour to present the report of the Board of Auditors with respect to the above accounts.

Accept, Sir, the assurances of my highest consideration.

(Signed) Sir John BOURN
Comptroller and Auditor General
of the United Kingdom of
Great Britain and Northern Ireland
and Chairman
United Nations Board of Auditors

The President of the General Assembly
of the United Nations
New York, N.Y.

I. FINANCIAL REPORT FOR THE BIENNIUM ENDED 31 DECEMBER 1993

1. The Administrator has the honour to submit his financial report for the biennium ended 31 December 1993, together with the audited financial statements of the United Nations Development Programme (UNDP) for the biennium ended 31 December 1993 and the report of the Board of Auditors. This submission is made in conformity with the Financial Regulations of the United Nations Development Programme. The financial statements consist of 27 statements and 11 schedules, accompanied by notes which are an integral part of the financial statements, and cover all funds for which the Administrator is responsible.

2. The UNDP financial statements incorporate expenditure data obtained from the executing agencies. As far as possible, the data are obtained from the agencies' audited statements or, when such statements are not available at the time of the year-end closing of the UNDP accounting records, either from the agencies' statements as submitted for audit or from the agencies' unaudited statements.

3. As at the date of preparation of the present financial statements, the status of information received from the executing agencies was as follows:

(a) Audited statements, an audit report or other audit clearance was provided by the following executing agencies:

International Atomic Energy Agency
World Health Organization

(b) Statements as submitted for audit were provided by the following executing agencies:

United Nations
Economic Commission for Africa
Economic Commission for Europe
Economic Commission for Latin American and the Caribbean
Economic and Social Commission for Asia and the Pacific
Economic and Social Commission for Western Asia
United Nations Conference on Trade and Development
United Nations Centre for Human Settlements (HABITAT)
International Labour Organization
Food and Agriculture Organization of the United Nations
United Nations Educational, Scientific and Cultural Organization
International Civil Aviation Organization
World Bank
International Finance Corporation
International Monetary Fund
Universal Postal Union
International Telecommunication Union
World Meteorological Organization
International Maritime Organization
World Intellectual Property Organization
International Trade Centre
United Nations Industrial Development Organization
World Tourism Organization
African Development Bank
Asian Development Bank
European Bank for Reconstruction and Development

Changes in accounting practices and policies in the biennium

Financial regulations and rules

4. The financial statements have been prepared in accordance with the financial regulations for UNDP which have been approved by the Governing Council.

Accounting policies

5. A summary of significant accounting policies applied in the preparation of the financial statements is provided in note 1 to the financial statements. The policies are the same as those applied in the 31 December 1991 financial statements.

Presentation of accounts

6. The accounts are presented in essentially the same format as that used in previous bienniums/years. Changes in the presentation of individual items are disclosed in Note 2 to the financial statements.

Combined statement of income and expenditure
for the biennium ended 31 December 1993

7. Table 1 below represents a combined statement of income and expenditure for the biennium ended 31 December 1993 in respect of the UNDP account, the UNDP-administered trust funds, management service agreements and the Junior Professional Officers Programme. It provides an overall view of the financial activities during the biennium of all funds for which the Administrator is responsible. The balance of each fund as at 31 December 1993 represents the recorded value of the net assets of each fund as at that date, exclusive of fully funded reserves.

Table 1. Combined income and expenditure for the biennium ended
31 December 1993

(Millions of United States dollars)

| | Adjusted balance as at 1 January 1992 | Income | Expenditure | Balance as at 31 December 1993 |
|--|---|---------|-------------|-----------------------------------|
| <u>Source of funds</u> | | | | |
| <u>UNDP account</u> | | | | |
| Voluntary contributions and other income | 157.4 | 2 093.2 | 2 101.4 | 149.2 |
| Special Measures Fund for the Least Developed Countries | 26.0 | - | 8.2 | 17.8 |
| Cost-sharing contributions | 155.2 | 669.6 | 602.1 | 222.7 |
| Cash counterpart contributions | 8.3 | 23.6 | 25.4 | 6.5 |
| Extrabudgetary activities | 51.5 | 92.6 | 100.5 | 43.6 |
| Subtotal (statement IV) | 398.4 | 2 879.0 | 2 837.6 | 439.8 |
| <u>Trust funds</u> | | | | |
| United Nations Capital Development Fund (statement V) | 109.7 | 91.1 | 120.7 | 80.1 |
| United Nations Revolving Fund for Natural Resources Exploration (statement VI) | 2.3 | 4.4 | 4.5 | 2.2 |
| United Nations Trust Fund for Sudano-Sahelian Activities (statement VII) | 52.3 | 27.1 | 44.4 | 35.0 |
| United Nations Volunteers programme (statement VIII) | 11.9 | 26.4 | 21.5 | 16.8 |
| United Nations Fund for Science and Technology for Development (statement IX) | 4.2 | 1.8 | 4.2 | 1.8 |
| UNDP Trust Fund for the Nationhood Programme of the Fund for Namibia (statement X) | 0.1 | 0.4 | 0.3 | 0.2 |
| United Nations Development Fund for Women (statement XI) | 13.2 | 23.9 | 31.4 | 5.7 |
| UNDP Energy Account (statement XII) | 4.4 | 1.3 | 1.6 | 4.1 |
| Trust funds established by the Administrator (statements XIII to XXV) | 55.0 | 192.5 | 120.0 | 127.5 |
| Other trust funds administered by UNDP (statement XXVI) | 0.9 | 0.3 | 0.4 | 0.8 |
| | 254.0 | 369.2 | 349.0 | 274.2 |
| <u>Management service agreements (schedule 5)</u> | 47.8 | 262.8 | 236.6 | 74.0 |
| <u>Junior Professional Officers programme (schedule 8)</u> | 1.9 | 49.3 | 45.1 | 6.1 |
| Total | 702.1 | 3 560.3 | 3 468.3 | 794.1 |

UNDP account

8. As shown in the statement of income and expenditure (statement I), total income for the biennium ended 31 December 1993 amounted to \$2,879.0 million, total expenditure amounted to \$2,824.3 million, the provision to reduce the book value of accounts receivable and deferred charges amounted to a credit of \$0.2 million, and allocations for reserves amounted to \$13.6 million. Thus, the surplus of income less expenditure, the provision to reduce the book value of accounts receivable and deferred charges, and allocations for reserves amounted to \$41.4 million.

9. Statement IV shows the surplus of income over expenditure of \$41.4 million attributable as follows:

- (a) A deficit of \$8.2 million in respect of UNDP general resources;
- (b) A deficit of \$8.2 million in respect of the Special Measures Fund for the Least Developed Countries;
- (c) A surplus of \$67.5 million in respect of cost-sharing contributions;
- (d) A deficit of \$1.8 million in respect of cash counterpart contributions and,
- (e) A deficit of \$7.9 million in respect of extrabudgetary activities.

10. There has been an overall decrease in expenditure of \$115.5 million compared to the biennium 1990-1991 (statement I). For the same period, income increased by \$262.5 million. The decrease in the provision to reduce the book value of accounts receivable and deferred charges was reduced by \$0.5 million. Allocations for reserves were established in the biennium 1992-1993 in the amount of \$13.6 million. Statement III gives details of the changes in the financial position during the year and shows that cash and investments held by UNDP increased from \$867.9 million at the beginning of the biennium to \$982.1 million as at 31 December 1993.

Government contributions

11. The arrears of government contributions to UNDP amounted to \$209.9 million at 31 December 1993 as shown in note 3 to the financial statements. This represented a net decrease of \$51.6 million over the position as at 31 December 1991, when these arrears amounted to \$261.5 million, and is mainly attributable to the decreases in outstanding voluntary contributions of \$105.5 million and cash counterpart contributions of \$1.1 million, partly offset by a \$55.0 million increase in outstanding cost-sharing contributions.

Extrabudgetary activities

12. As shown in schedule 4, extrabudgetary expenditure in the biennium 1992-1993 amounted to \$100.5 million. Income received for these activities totalled \$92.5 million and the unexpended balance at 31 December 1993 was \$43.6 million.

Programme expenditure and programme support costs

13. Total programme expenditure for the 1992-1993 biennium amounted to \$2,043.8 million, a decrease of \$404.6 million compared to the 1990-1991 biennium. Schedule 2 gives details of this expenditure.

14. At its thirty-eighth session, in 1991, the Governing Council adopted comprehensive legislation on successor arrangements to agency support costs. ^{1/} These arrangements are in effect for all projects approved after 1 January 1992. Details of all programme support cost expenditure for the biennium 1992-1993 are shown in schedule 2.1.

^{1/} Official Records of the Economic and Social Council, 1991, Supplement No. 13 (E/1991/34), decision 91/46.

UNDP biennial budget

15. At its fortieth session, in 1993, the Governing Council approved total appropriations of \$577.6 million, for the purpose of financing programme support and administrative services costs under the United Nations Development Programme and the funds administered by the Programme for the biennium 1992-1993. 2/

16. This represents a decrease in net appropriations of \$0.2 million over the revised biennial budget approved by the Governing Council at its thirty-ninth session in 1992 and a \$1.8 million decrease over the original appropriations approved at the thirty-eighth session, in 1991. 3/, 1/

17. Detailed information on the gross expenditure incurred against the revised appropriations for the biennium 1992-1993 is given in schedule 3 in respect of the costs met from the resources of UNDP, and in schedule 11 in respect of the costs met from the resources of UNCDF, UNRFNRE and UNFSTD, UNSO and UNIFEM, respectively.

18. Table 2 below shows, for each appropriation line, the total appropriation, the net actual expenditure for the biennium 1992-1993 and the resulting unencumbered balance.

Table 2. Budget appropriations and expenditure for the biennium 1992-1993

(Thousands of United States dollars)

| | Total appropriations | Net expenditure for the biennium | Unencumbered balance |
|--|-------------------------|-------------------------------------|-------------------------|
| I. RESOURCES OF UNDP | | | |
| A. <u>UNDP core activities</u> | | | |
| Headquarters | 148 254 | 142 552 | 5 702 |
| Field office | 331 322 | 309 982 | 21 340 |
| Gross UNDP core activities | 479 576 | 452 534 | 27 042 |
| Income received | 32 000 | 34 652 | (2 652) |
| Net UNDP core activities | 447 576 | 417 882 | 29 694 |
| B. <u>Programme support and development activities</u> | | | |
| Programme development activities | 21 286 | 16 598 | 4 688 |
| Project/programme implementation services | | | |
| Development support services | 5 789 | 4 858 | 931 |
| Office for Project Services | 32 793 | 28 821 | 3 972 |
| Inter-Agency Procurement Services Office | 5 669 | 4 484 | 1 185 |
| United Nations Volunteers programme | 30 728 | 30 086 | 642 |
| National execution | 2 691 | 2 291 | 400 |

2/ Ibid., 1993, Supplement No. 15 (E/1993/35), decision 93/35.

3/ Ibid., 1992, Supplement No. 8 (E/1992/28), decision 92/37.

| | Total appropriations | Net expenditure for the biennium | Unencumbered balance |
|---|----------------------|----------------------------------|----------------------|
| Total project/programme implementation services | 77 670 | 70 540 | 7 130 |
| Programme support | 2 300 | 2 021 | 279 |
| Total, programme support and development activities | 101 256 | 89 159 | 12 097 |
| C. <u>Total resources of UNDP</u> | 548 832 | 507 041 | 41 791 |
| II. RESOURCES OF TRUST FUNDS | | | |
| A. United Nations Capital Development Fund | 10 766 | 8 994 | 1 772 |
| B. United Nations Revolving Fund for Natural Resources and United Nations Fund for Science and Technology for Development | 4 357 | 2 626 | 1 731 |
| C. United Nations Sudano-Sahelian Office | 8 004 | 6 720 | 1 284 |
| D. United Nations Development Fund for Women | 5 606 | 5 199 | 407 |
| <u>Total resources of trust funds</u> | 28 733 | 23 539 | 5 194 |
| TOTAL | 577 565 | 530 580 | 46 985 |

Office for Project Services

19. At its thirty-ninth session in 1992, the Governing Council approved the division of Office for Project Services administrative costs into those financed by budgetary resources and those financed by extrabudgetary resources. 3/ Programme support cost income earned by the Office for Project Services, reduced by these costs, can be carried forward each year to the amount of 10 per cent of the current biennial budget for budgetary resources and in total for extrabudgetary resources. For the biennium ended 31 December 1993, total balances carried forward amount to \$ nil for budgetary resources and \$2.9 million for extrabudgetary resources.

20. Total Office for Project Services' project delivery for the biennium 1992-1993 under extrabudgetary resources amounted to \$92.2 million in respect of cost-sharing projects, \$3.2 million in respect of cash counterpart projects, \$126.3 million in respect of trust funds and \$236.6 million in respect of management service agreements, and under budgetary resources, \$289.3 million in respect of the UNDP account. For this project delivery, net OPS programme support costs earnings amounted to \$28.6 million for budgetary resources activity and \$34.0 million for extrabudgetary resource activity.

Property written off, ex-gratia payments and write-offs of cash and receivables

21. In accordance with UNDP financial regulation 14.4, UNDP non-expendable property in the amount of \$537,744 was written off during the biennium. Write-offs of property are investigated by the UNDP headquarters Property Survey Board and are subsequently approved by the Assistant Administrator of the Bureau for Finance and Administration.

22. Ex-gratia payments in the amount of \$36,413 were made in the biennium 1992-1993 under UNDP financial regulation 14.3.

23. In the biennium 1992-1993, write-offs of cash and accounts receivable amounting to \$154,941 were approved under UNDP financial regulation 14.4 and

financial rule 114.15. Details of all amounts written off were made available to the Board of Auditors.

Trust funds administered by UNDP

24. At the beginning of the biennium, UNDP had, under its administration, 73 trust funds and 62 sub-trust funds. In 1992-1993, 21 new trust funds and 28 sub-trust funds were established by the Administrator; 9 trust funds and 19 sub-trust funds were closed. As at 31 December 1993, UNDP is administering 85 trust funds and 71 sub-trust funds.

25. Out of the 85 trust funds, financial statements for 82 trust funds were prepared and shown on statements V to XXVI. The status of sub-trust funds are shown in statement XXVII. Financial statements were not prepared for those trust funds and sub-trust funds which did not have any financial activity during the current biennium. Budget appropriations for the biennium 1992-1993 for United Nations Capital Development Fund, United Nations Revolving Fund for Natural Resources Exploration, United Nations Fund for Science and Technology for Development, United Nations Trust Fund for Sudano-Sahelian Activities, and United Nations Development Fund for Women are shown in schedule 11.

26. The following trust funds were established during the current biennium:

UNDP Trust Fund for Humanitarian and Rehabilitation Assistance for Cambodia

"Capacity 21" Trust Fund

Family Health International Trust Fund

Rehabilitation Assistance to Anhui Province following Flood Disaster

Trust Fund for the FMLN Relocation Points in El Salvador

Trust Fund to Mainstream Human Development into Operational Activities

International Development Research Centre Trust Fund for Information Management Training Series

UNDP Trust Fund for the Mozambique Demobilization Programme

UNDP Trust Fund for the Baltic Republics

UNDP Trust Fund for Technical Assistance to Electoral Processes

Trust Fund for the Inter-Parliamentary Union

Trust Fund for Democratization Support and the Electoral Process in Guinea-Bissau

Trust Fund in Support of Peace-Building Activities in El Salvador

Trust Fund for UNDP History Project

UNDP/Denmark Trust Fund for Electoral Assistance Project in Burundi

UNDP/Norway Trust Fund for Assistance to the Electoral Process in Mozambique

UNDP Trust Fund for Capacity Building in De-mining Operations for Cambodia

UNDP Trust Fund for Human Resources Development in South Africa

UNDP Trust Fund for Council on Health Research for Development (COHRED)

UNDP Trust Fund for the Reintegration of Demobilized Military Personnel in Mozambique

UNDP/Switzerland Trust Fund for Aid Management and Aid Coordination in Kyrgyzstan

27. Of the 21 new trust funds listed, 6 trust funds did not have any financial activity during the current biennium. Financial statements were not prepared for those trust funds.

28. The following trust funds were closed during the current biennium:

Initial Initiative against Avoidable Disablement (IMPACT)

UNDP Trust Fund for Participation of Officials from Developing Countries in the Working Group of the Committee of the Whole

Technological Information Pilot System

Trust Fund for Technical Assistance to World Bank Project in Panama

Trust Fund for Technical Assistance to World Bank Project in Zambia

CIDA/UNDP Trust Fund to Support the Project "Development of Underground Water Resources in Mali"

UNDP Trust Fund for the Safe Motherhood Initiative

Coordination of International Agricultural Research

Preparation of an International Research Programme on Tropical Forestry

29. Of the nine closed trust funds listed, five trust funds did not have any financial activity during the current biennium. Financial statements were not prepared for those trust funds.

United Nations Capital Development Fund

30. As shown in statement V, the Fund's total income amounted to \$91.1 million and expenditures totalled \$123.8 million, resulting in a surplus expenditure of \$32.7 million in 1992-1993. Biennial budget expenditure totalled \$9.0 million as shown in schedule 11. The Fund maintains an operational reserve of at least 20 per cent of its project commitments in accordance with the Governing Council decision at its twenty-sixth session in 1979. 4/ As at 31 December 1993, the balance of the operational reserve amounted to \$55.9 million. Unexpended

4/ Ibid., 1979, Supplement No. 10 (E/1979/40), decision 79/21, para. 4.

resources as at 31 December 1993, exclusive of the operational reserve, stand at \$80.1 million.

31. As at 31 December 1993, unspent allocations amounted to \$244.8 million, of which \$239.2 million represents commitments for project activities funded from the Fund's general resources. This amount exceeds available resources by \$160.3 million, as shown in footnote a/ of statement V. This reflects the decision made by the Governing Council at its twenty-sixth session to continue the partial funding system 5/ and at its thirty-fourth session to modify the formula covering the ceiling on commitments. 6/ As disclosed in note 20 (f) to the financial statements, the partial funding system allows a maximum of \$267 million outstanding future allocations.

32. The Fund had nine sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

United Nations Revolving Fund for Natural Resources Exploration

33. As shown in statement VI, the Fund's total income amounted to \$4.4 million and expenditures totalled \$4.5 million, resulting in a surplus expenditure of \$0.1 million in 1992-1993. Biennial budget expenditure amounted to \$1.8 million as shown in schedule 11. Unexpended resources as at 31 December 1993 stand at \$2.2 million, of which \$0.2 million has been committed to project activities.

34. The Fund had two sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

United Nations Trust Fund for Sudano-Sahelian Activities

35. As shown in statement VII, the Fund's total income amounted to \$27.1 million and expenditures totalled \$43.4 million, resulting in a surplus expenditure of \$16.3 million in 1992-1993. Biennial budget expenditure amounted to \$6.7 million, as shown in schedule 11. Unexpended resources as at 31 December 1993 stand at \$35 million, of which \$34.6 million has been committed to project activities.

36. The Fund had 17 sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

37. The United Nations Trust Fund for Sudano-Sahelian Activities is responsible for assisting, on behalf of the United Nations Environment Programme (UNEP), the countries of the Sudano-Sahelian region in the implementation of the Plan of Action to Combat Desertification. The work is carried out as UNDP/UNEP joint venture, with both programmes contributing equal shares of the programme (operational) support and administrative (institutional) support. Details of contributions received and expenditure incurred on the UNDP/UNEP joint venture are given in note 22 (b) to the financial statements.

United Nations Volunteers

38. In 1992-1993, the Fund earned total income of \$26.4 million and incurred expenditures amounting to \$21.5 million, as shown in statement VIII. These

5/ Ibid., 1982, Supplement No. 6 (E/1982/16/Rev.1), decision 82/22, para. 6.

6/ Ibid., 1988, Supplement No. 9, (E/1988/19), decision 88/44, para. 1.

activities resulted in a surplus income of \$4.9 million for the current biennium. Unexpended resources as at 31 December 1993 stand at \$16.8 million, of which \$9.1 million represents general resources, and \$7.7 million represents sub-trust funds resources. The amount of \$9.1 million shown as unspent allocations against general resources represents estimated commitments in respect of repatriation travel and resettlement allowances for serving volunteers as at 31 December 1993.

39. The Fund had 39 sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

United Nations Fund for Science and Technology for Development

40. The Fund's total income amounted to \$1.8 million and expenditures totalled \$4.2 million in 1992-1993, resulting in a surplus expenditure of \$2.4 million as shown in statement IX. Biennial budget expenditure amounted to \$0.8 million, as shown in schedule 11. Unexpended resources stand at \$1.8 million as at 31 December 1993, of which \$1.3 million has been committed to project activities.

41. The Fund had 12 sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

United Nations Development Fund for Women

42. Statement XI shows total income of the Fund amounting to \$23.9 million and expenditures totalling \$32.5 million in 1992-1993, resulting in a surplus expenditure of \$8.6 million. Biennial budget expenditure amounted to \$5.2 million, as shown in schedule 11. The Fund maintains an operational reserve calculated using a sliding percentage scale applied to the Fund's forward commitments for a period of three years in accordance with the Governing Council's decision during its thirty-seventh session in 1990. The operational reserve as at 31 December 1993 amounted to \$5.1 million. Unexpended resources as at 31 December 1993, exclusive of the operational reserve, stand at \$5.7 million. Unspent allocations amounted to \$8.2 million. Allocations in excess of available resources were made on the basis of contributions receivable from Governments as disclosed in note 26 (d) to the financial statements.

43. The Fund had 5 sub-trust funds in 1992-1993. The status of these sub-trust funds is shown in statement XXVII.

Global Environment Facility

44. As shown in statement XXI, the total income of the Fund in 1992-1993 amounted to \$65.3 million and expenditure totalled \$47.6 million, resulting in a surplus income of \$17.7 million. Administrative costs of \$3.6 million were incurred during the biennium. The Fund's unexpended resources as at 31 December 1993 stand at \$18.3 million, of which \$17.3 million represents general resources. Unspent allocations for projects funded from general resources amounted to \$123.6 million. Allocations in excess of resources were issued on the basis of letters of commitments from the World Bank confirming allocations of \$200 million to UNDP, as discussed in note 29 to the financial statements.

"Capacity 21" Trust Fund

45. Established in 1993, this trust fund was created to finance the provision of technical cooperation to assist developing countries in building their capacity at all levels of society to implement Agenda 21, through, inter alia, support for the formulation and implementation of sustainable development strategies and action plans.

46. As shown in statement XXIV, the Fund received total contributions of \$19.6 million during the current biennium and incurred expenditures amounting to \$0.3 million, inclusive of administrative costs of \$0.2 million. The Fund's unexpended resources amounted to \$19.3 million as at 31 December 1993, of which \$0.8 million has been committed to project activities.

Programme support costs

47. At its thirty-ninth session in 1992, the Governing Council decided that the reimbursement schedule for administrative and operational support services shall also apply to projects financed by UNDP-administered trust funds. ^{7/} These costs are included in programme support costs: executing agencies, in statements V to XXVI.

^{7/} Ibid., 1992, Supplement No. 8 (E/1992/28), decision 92/22, para. 18.

II. REPORT OF THE BOARD OF AUDITORS

Introduction

1. The Board of Auditors has examined the financial statements of the United Nations Development Programme (UNDP) for the period 1 January 1992 to 31 December 1993, in accordance with General Assembly resolution 74 (I) of 7 December 1946, and article XVII of the Financial Regulations of UNDP. The audit has been conducted in conformity with article XII of the Financial Regulations and Rules of the United Nations and the annex thereto, and the Common Auditing Standards of the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency. These standards require that the Board plans and performs the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

Audit objectives and approach

2. The Board's audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The examination was based on an assessment of UNDP accounting systems and controls and a test audit in which all areas of the financial statements were subject to direct substantive testing of transactions. The audit also included an assessment of the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. The examinations were conducted at UNDP headquarters in New York and at country offices in Argentina, Burkina Faso, Costa Rica, Egypt, India, Indonesia, Madagascar, Mexico, Mozambique, the Niger, Pakistan, and Thailand. The Board considers that its audit approach provides a reasonable basis for its opinion. Whilst the financial statements are the responsibility of UNDP management, the responsibility of the Board is to express an opinion whether, based on its audit, the financial statements present fairly the financial position of UNDP as at 31 December 1993.

3. The Board's examination included a general review and such tests of the accounting records and other supporting evidence as it considered necessary in the circumstances. These audit procedures are designed primarily for the purpose of forming an opinion on the financial statements of UNDP. Consequently, the work carried out by the Board did not involve a detailed review of all aspects of budgetary and financial information systems and the results cannot be regarded as a comprehensive statement on them.

4. In addition to our audit of the accounts and financial transactions, the Board carried out reviews under article 12.5 of the United Nations Financial Regulations. The reviews primarily concern the efficiency of financial procedures, the internal financial controls and, in general, the administration and management of UNDP.

5. In the biennium 1992-1993, the Board examined the following areas:

- (a) Programme and project management;
- (b) Procurement of supplies and equipment;

(c) The strategic management of information technology;

(d) The use of consultants.

6. A list of the Board's principal recommendations is found in paragraphs 9 to 13. A summary of the main findings, arising from the Board's work is reported in paragraphs 14 to 46. The detailed findings are reported in paragraphs 47 to 232.

Action taken on recommendations in previous reports to the General Assembly

7. The Board has, as requested by the General Assembly in its resolution 47/211 of 23 December 1992, carried out a review of the measures taken by UNDP in response to the recommendations made by the Board in its audit report for the biennium ended 31 December 1991. ^{1/} Whilst UNDP has responded positively to the Board's recommendations, it still requires to give attention to the implementation of a reliable inventory management system, internal audit coverage of headquarters and the planning of office automation. The details of the actions taken by UNDP, together with the comments of the Board, are set out in the annex to the present report. A number of the topics covered are also discussed further in the present report.

Overall results

8. Subject to the restriction on the scope of our audit described below in paragraphs 47 to 49, the Board's examination revealed no weaknesses or errors considered material to the accuracy or completeness of the financial statements as a whole. In accordance with normal procedures, the Board recorded significant findings in management letters to UNDP. None of these matters affected the Board's audit opinion on the UNDP financial statements and schedules for the period.

Conclusions and recommendations

Financial matters

9. The Board's financial audit examination has identified a number of matters which it considers should be addressed by UNDP or where additional disclosure in the financial statements should be considered. Specifically, the Board recommends that:

(a) UNDP should report to the Executive Board on how the funds held in the reserve for transitional measures will be utilized (para. 55);

(b) An overall implementation plan should be drawn up for the disposal of properties in the field (para. 58);

(c) UNDP should clarify its guidelines on the definition of unliquidated obligations (para. 68);

^{1/} Official Records of the General Assembly, Forty-seventh Session, Supplement No. 5A (A/47/5/Add.1), sect. II, para. 7.

(d) UNDP and the executing agencies should work together jointly to address the problems with the successor support cost arrangements that were encountered in 1992-1993 (para. 76);

(e) UNDP should aim to review and decide all cases involving financial loss and personal responsibility within six months. In addition, when staff are appointed to senior positions with significant financial responsibilities, they should be sent a personal letter of appointment setting out succinctly the nature of these responsibilities and how they will be held accountable (paras. 97 and 98).

Management issues

Programme and project management

10. The Board's examination has revealed a number of areas where there is scope for improvement in the management of programmes and projects. Specifically, the Board recommends that:

(a) UNDP should consider streamlining the Country Programme Management Plan to focus on key issues where headquarters support is required. UNDP might consider moving towards "exception reporting" (para. 119);

(b) The Integrated Programme Management project should be afforded high priority and be developed as soon as practicable (para. 123);

(c) UNDP should perform an evaluation of the effectiveness of local Project Appraisal Committees (PACs) as a matter of some urgency (para. 134);

(d) The appraisal process should be reinforced by systematic recording and follow-up of PAC recommendations (para. 137);

(e) Suitable guidance (including training) on setting appropriate objectives and measuring their achievement should be provided to programme staff (para. 141);

(f) All parties involved in a project should formally approve the completed workplan to signify their commitment to achieving project objectives in the proposed time-frame and their agreement that the plan is realistic (para. 144).

(g) UNDP should reaffirm the requirement for on-site monitoring of projects (para. 155);

(h) UNDP should introduce a formal mechanism to ensure that lessons learned from project evaluations are disseminated effectively (para. 171).

Use of consultants

11. The Board concluded that there is scope for improving the procedures employed by UNDP in the selection and recruitment of consultants to ensure that the potential market is being adequately tested. In particular, the Board recommends that formal records, appropriately signed and reviewed, should be maintained which record the consultants considered for a post, the selection criteria applied, and justification of the final choice (para. 176).

Procurement of goods and services

12. The Board found that the procurement of goods and services by UNDP is conducted in compliance with the financial rules and regulations. However, a number of areas were identified where the Board believes there is scope for improvements. Specifically, the Board recommends that:

(a) UNDP should evaluate the potential cost and benefits of sponsoring staff in a formal programme of training (para. 186);

(b) Response rates to invitations to bid should be closely monitored by management to identify the major reasons for non-response and to correct any recurring problems (para. 193);

(c) UNDP should improve its use of suppliers rosters (para. 197);

(d) UNDP should make more use of public advertising (para. 198);

(e) UNDP should view adopting a more flexible role for the Contracts Committee and invite purchasing specialists from other organizations (public and private) to attend the Committee to bolster its expertise in procurement (para. 202);

(f) UNDP should emphasize to all staff the importance of completing receipt and inspection reports (para. 210);

(g) UNDP introduces performance measures and targets as soon as practicable to assist management in monitoring and assessing the efficiency of procurement activities (para. 211).

Management of information technology

13. The Board concluded that UNDP has achieved a low return on its investment in information technology. The information needs of UNDP are not met adequately by existing systems. The Board recommends that UNDP establishes a documented information technology strategy which clearly sets out objectives, priority areas, timetables and resource implications. This will require the direct involvement and commitment of senior management throughout UNDP to ensure its successful implementation (para. 230).

Summary of main findings

Financial matters

On programme expenditure incurred by executing agencies and national Governments

14. The Board has received a sufficient number of audit certificates in 1992-1993 from the auditors of executing agencies to enable it to form an opinion on the reported expenditures. The Board has, therefore, been able to remove the long-standing qualification of the audit opinion in respect of agency expenditures. However, the Board did not receive a sufficient number of audit certificates concerning nationally executed project expenditures. The Board has accordingly limited the scope of its opinion to exclude these expenditures (paras. 47-49).

On reserves

15. The Board noted the creation of two new reserves; the reserve for budgeted separations and the reserve for transitional measures. The Board also noted that schedule 7 to the financial statements discloses an over-expenditure on the reserve for field accommodation of some \$16.5 million in excess of the level authorized by the Governing Council (paras. 52-65).

On unliquidated obligations

16. The Board found a large number of invalid unliquidated obligations during its final audit examination. The main reasons for the errors included a failure to reference disbursements to the relevant obligation; obligations raised which related to activities in future years; and failure to surrender obligations when the related activity had been cancelled (paras. 66-68).

On revised support cost arrangements

17. The Board found that both UNDP and executing agencies had encountered initial difficulties in implementing the revised support cost arrangements smoothly. The Board noted that as a consequence of the difficulties encountered, UNDP has been unable to validate approximately \$1.5 million of support costs reported by agencies (paras. 71-76).

On UNDP trust funds

18. The Board noted a number of deficit balances on trust funds amounting in aggregate to \$320,000. This is in contravention of the Financial Regulations (paras. 77-85).

On inventory management

19. UNDP was unable to provide a valuation of non-expendable inventory as at 31 December 1993. The Board noted that UNDP is currently testing an inventory management system for headquarters and expected to have it in place by the end of 1994 (paras. 86-88).

On personal responsibility and financial liability

20. The Board reviewed a number of cases where serious breaches of financial rules and regulations had been brought to the attention of the Committee on Personal Responsibility and Financial Liability. The Board noted that the Committee is an innovation in the United Nations system and sees much merit in its activities. However, the Board found that in the cases they examined, no formal disciplinary proceedings were taken against the staff concerned. In addition, only modest recoveries of losses had been made in 1992-1993 (paras. 89-98).

Management issues

Programme and project management

On implementation of the programme approach

21. The Board found that the development of guiding principles for the implementation of the new programme approach had been a lengthy process. Overall, however, the Board concluded that UNDP has made steady progress with the implementation of the programme approach (paras. 112-116).

On the Country Programme Management Plan

22. The Board found that the detailed Country Programme Management Plans submitted by country offices were not used by UNDP headquarters in any consistent or systematic way. The Board concluded that there is currently no mechanism to allow headquarters to monitor and control effectively the implementation of country programmes (paras. 117-119).

On management information systems

23. UNDP is aware of the deficiencies in their project management information systems and has now begun to develop an Integrated Programme Management System to address the programme information needs of country offices and headquarters (paras. 120-123).

On project formulation

24. The Board found that the Framework for screening project ideas was rarely used during project formulation (paras. 127-129).

On project appraisal

25. The Board found that all projects up to \$1 million in value are now approved by local Project Appraisal Committees (PAC) under delegated authorities. The Board noted that there are sometimes difficulties in finding suitably qualified independent consultants to sit on local PACs (paras. 132 and 133).

26. The Board found that there is no facility to record and follow-up PAC recommendations. The Board found there was no evidence that recommendations made by the PAC had subsequently been incorporated into some projects (paras. 136 and 137).

On project implementation

27. The Board found that in almost 50 per cent of the projects examined, objectives and outputs were not stated in terms which facilitated easy measurement of project progress or achievements. Often, outputs and achievements have been measured only in terms of the funds expended (paras. 139-141).

28. The Board found that project workplans were often of poor quality and that in a large proportion of projects, the workplans did not, in their view, provide a realistic basis for project implementation (paras. 142-144).

29. The Board concluded that monitoring of projects has become highly mechanistic and had not been carried out effectively in 40 per cent of the projects examined (paras. 151-157).

30. The Board noted that there is some evidence that the reliability of government inputs to technical cooperation projects is deteriorating. There is often very little UNDP can do to compensate for problems arising where inputs are inadequate (paras. 145-150).

31. The Board found that there is limited facility at headquarters for effective financial monitoring of programmes and projects. In particular, the Board was concerned to find that it was not possible to obtain timely management information to determine what proportion projects were delivered to time and budget (paras. 160-161).

32. The Board found that in a number of projects examined, there were misgivings about the sustainability of the projects once UNDP funding and support were withdrawn (paras. 162 and 163).

On evaluation

33. The Board found that there is no effective mechanism for feeding back the results of lessons learned from project evaluations and there is, therefore, a risk that avoidable mistakes are being repeated (paras. 164-171).

Use of consultants

34. The Board found that the UNDP Financial Rules and Regulations on procurement do not make any distinction between different types of contract. But different parts of UNDP operate different procedures with regard to the approval of consultancy contracts. The Board found also that documentary evidence pertaining to the short-listing and selection of consultants was not maintained (paras. 174-179).

Procurement of goods and services

On financial rules and regulations

35. The Board found that the procedures employed by UNDP generally provide a sound framework for procurement activities. However, the Board considers that simple adherence to the rules will not of itself secure best value for money. The Board believes that there is scope for fostering a more imaginative and commercial approach to purchasing (paras. 182-184).

On professional training

36. The Board noted that very few staff in the procurement sections have any recognized qualifications in procurement. The volume of purchasing now undertaken by UNDP, especially by the Office for Project Services (OPS), warrants the use of specialist staff with relevant experience and training in purchasing techniques (paras. 185 and 186).

On procurement planning

37. The Board found that formal procurement plans are not being prepared on a systematic basis and concluded that there is considerable scope for improving the planning of procurement actions (paras. 187-191).

On testing the market

38. The Board found that there is a tendency to invite the absolute minimum number of bids required. The vendors listings and suppliers roster, where maintained, were of limited utility and UNDP rarely used public advertising (paras. 192-198).

On the Contracts Committee

39. The Board found that the vast majority of submissions presented to Contracts Committee were approved as presented. The Committee membership does not include any experts or specialists in procurement but relies upon generalists drawn from within UNDP (paras. 199-202).

40. The Board found that the reasons given for seeking waiver action appeared acceptable in the individual circumstances described. However, the general level of waivers granted appears high compared to the total volume of business and should be monitored closely (paras. 203 and 204).

On headquarters procurement

41. The Board found a number of weaknesses in the procedures applied by headquarters purchasing unit, including inadequate bidding procedures and an absence of written instructions on procedures (paras. 205-207).

On delivery of goods

42. The Board found that procedures for reporting the receipt of goods were not applied consistently. Formal receiving and inspection reports were completed in less than 3 per cent of OPS procurement actions examined by the Board (paras. 208-210).

On performance measurement

43. The Board found that UNDP does not currently employ any performance measures or targets in assessing the efficiency of procurement activities (para. 211).

Management of information technology

On the status of UNDP information systems

44. The Board found that the UNDP information systems are often old, lack integration and overlap considerably in terms of functions. In the Board's view, the development of adequate programme information systems for headquarters is now one of the most critical problems facing UNDP. The Board notes that UNDP has responded positively to its recommendations, but progress in these areas has to date been limited (paras. 215 and 216).

On the UNDP information technology strategy

45. The Board found that UNDP has not yet developed a coherent and documented strategy for the use of information technology (paras. 217-224).

On systems development

46. The Board found that UNDP does not have a standard methodology for monitoring and controlling system development projects (paras. 226-230).

Part I: Financial matters

Programme expenditure incurred by Governments and executing agencies of the United Nations system

47. UNDP includes in its financial statements details of expenditure incurred on its behalf by executing agencies and by Governments. This information is based on annual expenditure statements certified and submitted to UNDP each year. These statements should be supported by audit certificates. The Board does not have access to the expenditure records of executing agencies or Governments and consequently it relies, where possible, on the work of other auditors, as evidenced by the audit certificates. The audit certificates provide adequate assurance that the funds provided by UNDP have been accurately reported and properly expended on UNDP projects. In 1992-1993, \$1,848 million was expended under these arrangements.

48. In previous bienniums, the Board has qualified its audit opinion on the basis that insufficient audit evidence regarding the programme expenditures of executing agencies of the United Nations system was available at the time of the finalization of the UNDP financial statements. To assist UNDP in addressing this problem, the Board contacted the external auditors of the major executing agencies via the United Nations Panel of External Auditors to ascertain whether audit certificates could be made available in time for the Board to consider them. The Board received an extremely positive response from the agency auditors and is pleased to report that by mid-June 1994, audit certificates were received in respect of agency expenditures of \$1,198 million out of a total of \$1,198 million. Although a small number of differences were noted between the detailed expenditures reported in schedules 2 and 2.1 and the final audited statements submitted by agencies, they are not material and do not impact on the audit opinion.

49. In 1992-1993, total expenditure on nationally executed projects was \$650 million. As at mid-June 1994, the required audit certificates had been received, in respect of programme expenditures totalling \$523 million. Owing to the non-receipt of audit certificates in respect of \$127 million, the Board has insufficient evidence to form an opinion in respect of this expenditure. Accordingly, the Board has restricted the scope of its opinion to exclude this expenditure.

Common accounting standards in the United Nations system

50. In 1993, the Advisory Committee on Coordination (ACC) approved common accounting standards for use throughout the United Nations system. The General Assembly took note of the standards in its resolution 48/216 C of 23 December 1993.

51. The Board reviewed UNDP compliance with the common accounting standards and found that UNDP generally applied the standards for the biennium 1992-1993. However, the following areas need further consideration for 1994-1995:

(a) Inventory: as noted in paragraph 86 of the present report, the value of non-expendable inventory is not currently available. UNDP expects that a reliable valuation of inventory items will be available by the end of 1994 and has undertaken to disclose its value together with the method of valuation in a note to the 1994-1995 financial statements;

(b) Land and buildings: note 18 (b) to the financial statements discloses for the first time the estimated value of UNDP future leasehold commitments as at 31 December 1993 (\$14.75 million for country office leases and \$59.37 million for headquarters). The financial statements do not, however, give any indication of the value of other land and buildings owned by UNDP. The Board recommends that UNDP aim to disclose the value of all land and buildings owned by the Organization in the 1994-1995 financial statements;

(c) Contributions in kind: the financial statements do not currently disclose the value of contributions in kind received from Governments or others. UNDP considers that contributions in kind for projects are not material in the context of overall programme expenditure. However, UNDP will identify in-kind contributions to the administrative budget and report on these, if they are considered material. Some of these are already identified for the purpose of measuring government contributions to local office costs;

(d) Inter-agency Procurement Service Office (IAPSO): the direct procurement services provided by IAPSO have grown dramatically in recent years. In 1992-1993, IAPSO procured equipment worth \$74.8 million and generated extrabudgetary income of \$3.1 million (disclosed in schedule 4 to the financial statements) by charging a handling fee to customers. IAPSO requires customers to make payments in advance and held \$5.6 million of such deposits as at 31 December 1993. These amounts are currently included in accounts payable disclosed in statement II and are classified under the heading of miscellaneous field office payables in note 16 (b) to the financial statements. The Board believes that the gross income and expenditures of IAPSO and its assets and liabilities are sufficiently large to warrant full and separate disclosure in the financial statements. UNDP has agreed to move towards such disclosure in 1994-1995.

Reserves

Reserves for budgeted separations

52. As stated in note 7 (b) to the financial statements, the Governing Council, at its fortieth session in 1993, approved the proposals of the Administrator to meet certain separation costs from the 1992-1993 budget allocations. During the examination of items recorded as unliquidated obligations at 31 December 1993, the Board identified a large obligation of \$6,359,000 relating to these costs. In the opinion of the Board, this was not an appropriate accounting treatment. The Board reached this opinion because none of the separations concerned had been formally agreed as at 31 December 1993.

53. The Board considered it more appropriate to disclose the earmarking of funds, in respect of proposed staff separations through the setting up of a reserve. This presentation fully discloses the impact on the surplus of income over expenditure for the biennium 1992-1993 and also draws attention to the precise purpose of the reserve. Since the establishment of a reserve requires formal approval under Financial Regulation 12.2 (c), the Executive Board may wish to confirm its agreement to this accounting treatment and indicate the length of time the funds should remain available for utilization.

Reserve for transitional measures

54. At its fortieth session, the Governing Council also approved the proposal of the Administrator to apply savings earned in 1993, up to a ceiling of 1.5 per cent of the 1992-1993 core appropriation, to meet transition costs associated with the smooth implementation of the 1994-1995 budget strategy. Accordingly, the sum of \$7.2 million has been allocated from the surplus of income over expenditure for the biennium 1992-1993 to fund these costs including, for example, further costs of staff separations, training and computer systems development (including the integration with Integrated Management Information Systems (IMIS)).

55. The Board noted that although the full \$7.2 million had been reserved to meet these transition costs, only \$3.6 million had been allocated for the specific purpose of meeting transitional salary costs. UNDP had not, at the time of the Board's examination, determined precisely how the remaining funds were to be utilized. The Board recommends that UNDP report to the Executive Board on how the funds will be used. The Executive Board may also wish to indicate the length of time the funds should remain available for utilization.

Reserve for field accommodation

56. In 1971, UNDP concluded that the lack of adequate housing for UNDP personnel was the single most important factor affecting the timely delivery of the UNDP programme in a number of countries. Regular monitoring of the housing problems resulted, in 1979, in a Governing Council decision (decision 79/43 of 2 July 1979) to establish a reserve for field accommodation. ^{2/} The reserve was used to finance the provision of housing through loans to Governments.

57. The Board conducted a review of these arrangements and found that the stock of UNDP housing and office properties has grown considerably over the years. By the end of 1993, UNDP managed 790 properties in 41 countries of which the vast majority, 750, were houses. Most of these houses were rented to staff from United Nations agencies. As at November 1993, there were 165 (21 per cent) property units listed as vacant. This implies significant over-capacity and a considerable amount of rental income foregone. It is essential, in the Board's opinion, to reduce the housing stock to levels consistent with current needs.

58. UNDP is fully aware of the need to rationalize the housing stock and is actively engaged, where possible, in ending its obligations in respect of these properties. However, the Board notes that there is no prescribed timetable or plan for doing this. The Board, therefore, recommends that an overall implementation plan be drawn up so that the disposal of properties can more easily be monitored and controlled. UNDP has accepted the Board's recommendation and is currently devising a detailed timetable and workplan for 1994-1995.

59. The Board also examined the arrangements for setting rents and found that UNDP has moved to address some significant problems in recent years. Formerly, maintenance costs, which were met by UNDP country offices, were charged through local imprest accounts as advance payments to be recovered from future revenue. However, rental incomes proved insufficient in some cases to recover these costs

^{2/} Official Records of the Economic and Social Council, 1979, Supplement No. 10 (E/1979/40, chap. XXI).

and over time the size of these balances has increased. At the end of 1993, the Board found that approximately \$1 million (net) was recorded as being receivable.

60. To resolve this problem, UNDP has reviewed rent levels and now retains 25 per cent of rental income locally to meet maintenance and other administrative charges. UNDP therefore expects to be able to reduce the large receivable balances which have built up. In practice, current rents are now being set at a level sufficient to ensure recovery of the costs incurred.

61. In the Board's opinion, it may be necessary in 1994-1995 to consider taking formal write-off action in recognition that the expenditure originally incurred may not now be recovered. UNDP agrees that this may be appropriate in some cases but has told the Board that it is determined to explore and exhaust all avenues to recover the balances before resorting to write-off action.

Over-expenditure on the Reserve for Field Accommodation

62. The accounting policy with regard to the reserve for field accommodation (note 1 (f) to the financial statements) records that the Governing Council authorized the over-commitment of the reserve by up to \$10 million provided that funds disbursed did not exceed \$25 million at any one time. Activity on the reserve over the period 1988 to 1993 is summarized below:

Table 1. Status of the Reserve for Field Accommodation, 1988 to 1993

| | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 |
|--|--------|--------|--------|--------|---------|----------|
| (Thousands of US dollars) | | | | | | |
| Total advances outstanding | 8 431 | 9 998 | 13 497 | 18 595 | 28 194 | 41 503 |
| Balance of investments (over-expenditure) | 16 569 | 15 002 | 11 503 | 6 405 | (3 194) | (16 503) |

63. Over the period from 1988 to 1993, the total expenditure through the reserve has increased significantly. Moreover, expenditures have greatly exceeded the authorized level for the reserve of \$25 million. This over-expenditure is financed currently from general resources.

64. UNDP informed the Board that the over-expenditure has occurred because construction costs for new office accommodation have been financed by UNDP, in advance of the receipt of funds from other agencies that will be sharing the office accommodation. As the construction costs relate to the important United Nations initiative for the United Nations System Common Premises, UNDP did not want to delay construction. UNDP explained that construction in seven countries started, initially, on UNDP offices within the mandate of the Reserve. However, following the policy regarding the establishment of United Nations System Common Premises agreed by the Joint Consultative Group on Policy (JCGP), the General Assembly and the Secretary General, the premises were expanded at the request of the JCGP agencies to accommodate their office needs. This was on the understanding so that UNDP would be reimbursed for the additional costs

incurred. UNDP has told the Board that formal undertakings have been received from Agencies to meet approximately \$13.5 million of the total construction costs. In this regard, the Board notes that two of the main agencies concerned (the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA)) have disclosed in their financial statements, their liabilities to meet a share of these construction costs.

65. The Board is concerned that the authorized level of the reserve has been exceeded. The Board was advised that action has been taken to recover the funds advanced by UNDP and in the future such a situation will not arise for new projects. In order to allow full consideration of the issues involved, the Board recommends and UNDP has agreed to present the Executive Board with an expenditure plan for the next three to five years which demonstrates clearly whether the authorized level of \$25 million is sufficient to meet the Organization's future needs.

Review of unliquidated obligations

66. Financial Rule 114.3 requires that "no contract, agreement or undertaking ... shall be entered into until funds have been reserved in the accounts, by means of an obligating document". Those obligations which are wholly or partially outstanding at the end of the financial period and which represent valid liabilities are accrued as expenses and disclosed in the financial statements as unliquidated obligations. The criteria used to determine whether an obligation remains valid at the period end are set out in the summary of significant accounting policies at note 1 (b).

67. The Board reviewed the status of a sample of 76 unliquidated obligations, as at 31 December 1993, drawn from across the whole of UNDP headquarters, OPS and Trust Funds. The Board found that 22 of the 76 obligations, amounting in value to approximately \$7.9 million, did not meet the criteria laid down in the accounting policies and did not represent valid liabilities against 1993 budget appropriations. The main reasons for the errors identified by the Board included:

- (a) Failure to reference disbursements to the relevant obligation;
- (b) Obligations raised that related to activities which had been cancelled, but the related obligation had not been surrendered;
- (c) Obligations raised at the period end which related to activities to be performed in future years and which were not therefore valid liabilities as at 31 December 1993.

68. During the examination, the Board noted also that a number of high-value obligations were recorded in the accounts after 31 December 1993. On further investigation, it was found that some certifying officers were misinterpreting the guidance issued by the Division of Finance. The Board recommends that UNDP clarify its guidelines, and in particular, define explicitly the terms "firm order" or "contractual agreement" in the context of obligations for purchases. The Board recommends that only those contracts or purchase orders signed on or before 31 December represent valid liabilities which may be included in unliquidated obligations.

Country office audits

69. As noted in the introduction to the Board's report, the audit examination included visits to 12 country offices. Significant findings arising from those audits have been raised in management letters with UNDP. During the audits, some problems were noted which were common to the majority of offices visited.

(a) Bank reconciliations: the Board found that time-expired cheques were not being cancelled and written-back into the cash balances. In one case, it was noted that a cheque was listed as a reconciling item over one year after it had been issued;

(b) Inventory records: the Board noted a number of instances where country office inventory records were not fully up to date.

70. Other significant matters raised with specific country offices included the need to review payments which had been held for over six months in suspense as "advances recoverable locally"; the need for improved procedures in some offices to control the use of official vehicles; and the need to ensure that salary advances to staff are made strictly in accordance with the financial rules and regulations. UNDP has responded positively to the Board's observations arising from these visits and the matters raised are not considered material to the accounts as a whole.

Revised support-cost arrangements

71. In 1991, the Governing Council, in its decision 91/32 of 25 June 1991, 3/ approved new arrangements for the payment of support costs to executing agencies. Under these successor arrangements, a new system of reimbursement (called the "new regime") applies to five large specialized agencies (the United Nations, the Food and Agriculture Organization of the United Nations, the International Labour Organization, the United Nations Industrial Development Organization, and the United Nations Educational, Scientific and Cultural Organization) and to the UNDP Office for Project Services (OPS).

72. The new regime makes a distinction between technical support services (TSS) and administrative and operational services (AOS). Under the new regime, AOS costs should not exceed 10 per cent of the cost of programme delivery. Technical support services are reimbursed at a standard cost charge per work-month. Administrative and operational services are grouped into clusters of services, each cluster bearing a separate rate of reimbursement (ranging from 4 to 21 per cent of programme costs). This is a major departure from the previous flat rate approach and is therefore more complex to administer for both the executing agencies and UNDP.

73. The Board reviewed the extent to which the successor support-cost arrangements have been implemented successfully. The Board noted that the original intention was to introduce the new arrangements from 1 January 1992. However, in view of the complexity of the arrangements, the Governing Council approved a transition period to 1 July 1992, in order to achieve a smoother implementation. Definitive guidelines on budget formats were issued in October 1992 followed by details of the new reporting requirements in July 1993. This allowed insufficient time for the executing agencies to install the necessary reporting systems to calculate and record the support costs under the

3/ Ibid., 1991, Supplement No. 13 (E/1991/34), annex I.

new regime. Consequently, UNDP headquarters assumed the main responsibility for calculating these support costs in 1992.

74. For 1993, project expenditures and AOS reported by agencies have been recorded and, where possible, UNDP has validated AOS charges by project budget lines. However, in some cases, UNDP was unable to validate AOS charges. The main difficulties encountered by UNDP in 1993 included:

(a) A large proportion of project budgets (at least 50 per cent) which were not prepared in the required format;

(b) Not all project budgets were recorded in UNDP management information systems, or the budget data recorded by UNDP had been superseded;

(c) Expenditures which were erroneously charged to incorrect or non-existent budget lines.

75. As a consequence of these problems, the support costs reported in schedule 2.1 to the financial statements differ from those reported by executing agencies by approximately \$1.5 million. UNDP is currently engaged in resolving these discrepancies and will make any necessary adjustments in 1994. The Board concluded that the difficulties encountered in 1992-1993 arose principally from the implementation of the revised successor support cost arrangements before the detailed operational requirements and related procedures had been devised.

76. To avoid a recurrence of these problems in 1994-1995, the Board recommends that UNDP provide the agencies and its own programme staff with comprehensive guidance aimed at addressing the specific problems encountered in 1992-1993. If necessary, UNDP should provide formal training to its staff and equivalent seminars with key agency staff, on the reporting requirements of the revised support-cost arrangements. The Board recommends that further efforts be made to ensure that all executing agencies meet fully the changes in reporting requirements that have become necessary as a result of the successor arrangements.

UNDP trust funds

77. Regulation 5.1 of the Financial Regulations of UNDP provides for the Administrator to establish trust funds for specified purposes consistent with the policies, aims and activities of the Organization. A number of trust funds were established by the United Nations General Assembly and are now administered by UNDP. As at 31 December 1993, UNDP had under its administration 85 trust funds and 72 sub-trust funds.

78. The Board performed a general review of the administration of trust funds and identified a number of areas which it believes require attention.

Deficit balances

79. The Board noted four trust funds where expenditure in 1992-1993 has exceeded income resulting in deficit balances on the funds, totalling \$320,000 as at 31 December 1993. This is contrary to the Financial Regulations. The Board was advised that action has been taken to obtain the necessary funding as soon as practicable to restore the balance of the funds concerned.

UNDP support costs

80. Trust funds in general rely to varying degrees upon support services provided by UNDP core resources, for example, support provided in the field by resident representatives or accounting services rendered by the Division of Finance. However, in many cases only minimal support costs are charged by UNDP (sometimes as low as 1 per cent) and it is not evident to the Board that the full costs of providing these services are being recovered.

81. The Board recommends that UNDP review the methodology used to calculate support costs to ensure that the full cost of UNDP support is recovered. Based on the chosen methodology, a workload study could be included to determine the full extent of support provided by headquarters units and country offices.

Integration of trust funds with UNDP programme activities

82. Trust funds have been established to meet specific purposes and in the case of the larger funds, have often developed a discrete identity and organizational structure. In addition, the number of trust funds administered by UNDP continues to grow (in 1984, there were only 8 trust funds in operation; in 1993, there were 85).

83. Although 9 trust funds and 18 sub-trust funds were closed during 1992-1993, the Board noted that 21 new trust funds and 28 sub-trust funds were established. In addition, the Board noted that 6 of the 21 new trust funds did not have any financial activity during the biennium and that 6 of the ongoing sub-trust funds were also inactive. In order to minimize the administrative costs associated with the management of trust funds, the Board urges UNDP to continue its efforts to close down inactive funds.

84. The distinct roles of some trust funds, differing administrative procedures for approving and implementing projects, and the growth in the number of funds complicates their integration with mainstream UNDP programme activity. UNDP is aware of the importance of integrating trust fund activities and has addressed the issue in a number of ways including:

(a) Centralizing the management of large trust funds, with the exception of the United Nations Development Fund for Women (UNIFEM), under the control of the Bureau for Programme Policy and Evaluation;

(b) Outposting some trust fund staff into regional bureaux in order to improve liaison and coordination of programme activities.

85. The Board welcomes these developments and notes that efforts are continuing in these areas. In particular, the Board notes that UNDP is considering the introduction of a standard fund management approach with uniform management, structures and processes for all programme funds, including trust funds. In addition, trust fund activities will be incorporated in the Programme Financial Management System along with the indicative planning figures and cost-sharing programmes to ensure consistent and compatible information for all sources of funds. The Board would urge UNDP to move forward with these initiatives.

Inventory control of non-expendable property

86. Financial rule 114.28 requires the maintenance of property records and provides for physical inventories to ensure adequate control over such property. In its report for the biennium 1990-1991 the Board drew attention to the failure

to comply with the financial rules in respect of inventory. Checks of headquarters inventory, confirming the existence and location of inventory items, had not been carried out since 1986-1987. Based on ex-post-facto checks, the administration considered it unlikely that there had been significant losses of UNDP property in the past. However, as inadequate records had been maintained for several years, significant losses or misappropriation of assets could not be ruled out. Accordingly, the Board recommended that appropriate measures should be taken to establish adequate property records.

87. The Board has once again reviewed the UNDP inventory records and found that some progress has been made in the development and implementation of an inventory system. However, as at 31 December 1993, UNDP was unable to produce a reliable valuation for assets held in the field or at headquarters and has not therefore disclosed any inventory valuations in the 1992-1993 financial statements. The Board has been assured that action is well in hand to issue revised policies and procedures and to implement a comprehensive inventory recording system by the end of 1994. A computerized system has already been developed and implemented on a pilot basis at headquarters (HQINVENT) and the field office inventory system (FOINVENT) is now in operation in country offices. In some offices, however, the system requires further refinement before it can produce reliable inventory records.

88. The Board welcomes these developments and trusts that UNDP will make every effort to ensure that reliable inventory management systems are in place by 31 December 1994. In the Board's opinion, further delay would be unacceptable. These serious deficiencies have exposed the Organization to a significant risk that the loss or misappropriation of assets would remain undetected. In this regard, the Board notes that UNDP intends to conduct a physical count of inventories held at headquarters as soon as practicable after completion of the pilot phase of the new system. The conduct of such inventory checks may be a time-consuming and resource-intensive task, but is essential to the establishment of an accurate inventory record.

Personal responsibility and financial liability

89. The Board reviewed cases where serious breaches of financial rules and regulations had been brought to the attention of an ad hoc Committee on Personal Responsibility and Financial Liability. This committee operates in the context of Financial Rule 103.2 which states:

"All officials of UNDP are responsible to the Administrator for the regularity of actions taken by them in the course of their duties. Any official who takes any action contrary to these Financial Rules or to instructions which may be issued in connection therewith may be held personally responsible and financially liable for the consequences of such action".

90. In 1992-1993, the Committee reviewed 35 cases identified over the period 1986 to 1993 involving UNDP funds of \$2.8 million. The cases examined by the Committee typically involved procurement irregularities, loss or misappropriation of funds or equipment and various unauthorized transactions carried out by staff members. The most significant of these cases, involving procurement irregularities, resulted in a payment in excess of \$800,000 to a contractor in respect of a series of articles published in 1991 on UNDP activities in Africa.

91. The Board found that the UNDP had conducted a detailed investigation of the circumstances of this case before deciding to settle the contractor's claim for payment out of court. That decision followed an extensive investigation by internal audit and advice from the United Nations Office of Legal Affairs. In view of the amount involved and the serious issues raised by this case, the final settlement was authorized by a Special Review Committee, convened under the chairmanship of the former Administrator. UNDP concluded, despite the procurement irregularities, that:

(a) UNDP was under a contractual obligation;

(b) The published articles were delivered, were of good quality and were acceptable;

(c) The rate charged for the published articles was not excessive and a discount was afforded by the publisher.

92. The negotiated settlement of \$827,000 was lower than the original claim and excluded any interest and other costs incurred by the publisher whilst awaiting settlement. UNDP was satisfied that a service of value had been received and that therefore there was no financial loss to the organization. UNDP informed the Board that letters of reprimand referring to the serious breaches of financial rules were sent to the senior staff involved and, although no disciplinary action was taken, none of the senior staff concerned remains with the organization.

93. The Board examined this case carefully and was disturbed to find that senior officials had committed UNDP to expenditure of this magnitude, yet all of the organization's key procurement controls had been bypassed. A commitment of this size should have been provided for in the UNDP budget and the selection of the contractor needed Contracts Committee approval. None of these procedures was followed. The Board notes that UNDP is satisfied that no financial loss was suffered and that the necessary actions have now been taken consistent with the Financial Regulations and Rules. However, there is no doubt that the original transaction was highly irregular and has resulted in the diversion of significant financial resources to an unplanned and unbudgeted activity. In the absence of full disclosure in the financial statements, the Board therefore considered it necessary to report this item separately.

94. Other cases reviewed by the Board included a number of other procurement irregularities where staff had either knowingly or inadvertently breached the procurement rules. In one case, still under review by UNDP, a country office had purchased computer equipment amounting to approximately \$240,000 and had effectively circumvented the procurement rules. Furthermore, the transactions had not been charged to the administrative budget of the office concerned, but had been recorded as an advance payment in the local imprest account. Instances where staff members applied funds to unauthorized activities such as hospitality expenses, personal expenses (e.g. vehicle repairs) or travelling business class instead of economy class air travel were also reviewed by the Board. In the majority of these cases, the sums involved were relatively small (between \$1,000 and \$3,000) and were generally recovered from the staff concerned.

95. The Board notes that UNDP takes the issue of personal responsibility most seriously and that the organization has since made the ad hoc committee a formal Standing Committee on Personal Responsibility and Financial Liability. The Board notes also that the Standing Committee is an innovation in the United Nations system and sees much merit in its activities as it sends a clear signal

to staff that they are responsible for the propriety of their actions. In recovering financial losses directly from staff, the Committee is actively deterring malpractice and is thereby promoting a strong culture of accountability. In this regard, the activities of the Standing Committee are noteworthy in the context of General Assembly resolution 47/211 which requested executive heads of United Nations organizations and programmes to ensure that all existing financial and staff regulations and rules are strictly complied with, including those which assign staff members personal responsibility and accountability.

96. None of the cases examined by the Board resulted in formal disciplinary proceedings against staff. The Board acknowledges the distinction between procedures designed to recover financial losses and the procedures devised under the United Nations Staff Rules for disciplining staff. In the Board's view, however, there is clearly a need for a unified and consistent approach to dealing with irregular actions by staff members.

97. The Board notes also that in practice, only modest recoveries of the total amount reviewed by the Committee have occurred in 1992-1993 and that the process often took a considerable time to complete. For example, in November 1993 some cases identified in 1990 and 1991 were still under review. If the work of the Standing Committee is to have maximum impact, it is important that all cases are dealt with promptly and efficiently. The Board therefore recommends that UNDP aim to review and decide all such cases within six months of identification, subject to any necessary flexibility to ensure that due fairness and process is afforded to staff members.

98. While recognizing the steps which UNDP has taken, the Board feels that there are further measures which might be taken to explain more clearly to staff the nature of their responsibilities and the standards expected of them. The Board recommends that UNDP introduce a Code of Ethics for UNDP employees setting out in addition to the existing guidelines on the Standards of Conduct of International Civil Servants, guidance for the conduct of business. Further, when staff are appointed to senior positions with significant financial responsibilities (for example, heads of divisions, resident representatives) they should be sent a personal letter of appointment from the Administrator or Assistant Administrator, Bureau for Finance and Administration (as appropriate) setting out succinctly the nature of these responsibilities, the actions expected of the individual concerned, and how they will be held accountable. UNDP informed the Board that a code of ethics is in preparation and action to draft a letter of appointment, for review and consideration by senior management, has been initiated.

Cases of fraud and presumptive fraud

99. During the biennium, the Board was informed of 14 cases of fraud involving funds totalling \$95,248 of which UNDP has recovered \$54,302 as of May 1994. In each of the eight cases involving staff members, disciplinary action was taken. In six of these cases, the staff member concerned was separated or resigned. In an additional four cases still under review, involving amounts totalling \$19,674, no recovery action has yet taken place.

Property written off, ex gratia payments and write-offs of cash and receivables

100. As reported in paragraph 21 of the Financial report for the biennium ended, UNDP non-expendable property totalling \$537,744 was written off during the biennium. The Board was also given details of an ex gratia payment of \$36,413

and write-offs of cash and receivables amounting to \$154,941. The Board is satisfied with the information and explanations provided in respect of these items and has no observations to make.

Part II. Management issues

UNDP programme and project management

Introduction

101. At 31 December 1993, UNDP was funding over 5,000 projects with total estimated costs over their lifetime of \$5.6 billion. Expenditure on programme activity in 1992-1993 amounted to \$2.05 billion, excluding support costs but including commitments.

Table 2. Programme and project activity from 1988 to 1993

| Year | Programme activity (millions of United States dollars) | Number of projects | Average project value - budget (thousands of United States dollars) |
|------|---|--------------------|--|
| 1988 | 833 | 5 901 | 740 |
| 1989 | 898 | 6 052 | 770 |
| 1990 | 1 043 | 6 140 | 835 |
| 1991 | 1 137 | 6 189 | 876 |
| 1992 | 1 027 | 5 736 | 992 |
| 1993 | 1 017 | 5 083 | 1 120 |

Strategic considerations

102. In recent years, there have been a number of significant developments in respect of the strategic management of UNDP activities, including:

- (a) Emphasis on the programme approach as opposed to a project-based approach;
- (b) Calls for greater decentralization of decision-making;
- (c) Preference for government execution of programmes and projects;
- (d) National ownership of the programme;
- (e) Resource constraints;
- (f) Changes in the source of funds.

103. If UNDP is to manage the changes associated with these developments, it is essential that it develop strategies and the associated policies and procedures necessary to secure their smooth implementation. It is equally important that

corporate information systems are in place which will enable senior management to monitor and control the successful implementation of the strategies adopted.

104. UNDP has recently redefined its goals in the light of these developments (see paras. 172 and 173 below). The Board hopes that the recommendations and observations arising from its examination will assist UNDP in the review of its business practices. Although it is too early for the Board to assess the likely impact of many of the new initiatives, it has included reference to them in the present report where appropriate. The Board welcomes, in particular, the emphasis on financial and substantive accountability which underlines many of the new initiatives and believes that these issues lie at the heart of many of the concerns expressed by the Board in the present report.

Funding of UNDP

105. UNDP-assisted projects are financed from UNDP voluntary contributions from donor countries, cost-sharing contributions and government counterpart contributions, the latter being indicative amounts representing government inputs to a project in cash or kind. The majority of UNDP voluntary contributions are allocated between countries on the basis of indicative planning figures (IPF), which are approved by the Governing Council. Under the formula used to allocate IPF, 87 per cent of resources goes to 65 countries (out of 124 receiving UNDP resources) whose gross national product per capita is \$750 or less.

106. UNDP voluntary contributions are falling as a proportion of total programme funding; from 87 per cent in 1988 to 70 per cent in 1993. Cost-sharing resources have almost doubled as a proportion of total funding; from 12 per cent in 1989 to 29 per cent in 1993. Cost-sharing resources are particularly significant in the Latin America programme, constituting more than two thirds of funding.

Method of execution

107. UNDP-funded projects are executed by the UNDP Office for Project Services (OPS), by Governments and by over 30 United Nations and other agencies. National execution is growing; from 11 per cent of the total programme in 1988 to 40 per cent in 1993 as shown below. This trend is consistent with the promotion by UNDP of self-reliance in developing countries.

Table 3. Project expenditure by type of execution

| | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 |
|--------------------|-------------------------------------|------|-------|-------|-------|-------|
| | (millions of United States dollars) | | | | | |
| National execution | 95 | 100 | 126 | 174 | 239 | 400 |
| UNDP | 81 | 90 | 122 | 175 | 176 | 170 |
| Other agencies | 657 | 708 | 898 | 788 | 612 | 436 |
| Total | 833 | 898 | 1 043 | 1 137 | 1 027 | 1 017 |

Scope of the examination

108. The Board undertook a review of UNDP management of its programme and projects. It covered:

- (a) The implementation of the new programme approach;
- (b) Whether procedures for project planning and appraisal provide a sound basis for project implementation;
- (c) Whether implementation of projects is effectively monitored;
- (d) Whether evaluation arrangements are satisfactory and the results usefully applied.

109. The review included an examination of UNDP procedures for preparing, implementing, monitoring and evaluating projects. This examination was supported by scrutiny of the files relating to 58 projects in 24 countries, discussions with headquarters and field office programme staff and visits to nine country offices. The selection of projects took account of the regional balance of programme activities, and focused on projects approved in the last five years.

110. The Board identified several factors over which UNDP exercises only limited control, but which may critically affect the implementation and impact of its development programmes and projects. These factors include:

- (a) Funding for multi-year development programmes is derived from voluntary contributions on an annual basis and is therefore subject to uncertainty. The declining share of official development assistance going to multilateral institutions such as UNDP imposes further financial constraints;
- (b) Over time, broad operational mandates have encouraged UNDP to spread its limited financial resources widely, adding to the complexity of programme management;
- (c) UNDP acts in partnership with executing agencies and national Governments whose full participation and commitment is vital to achieving value for money from UNDP development assistance. Although the respective roles and responsibilities of all parties are set out in project and programme documents, there are difficulties in some cases in enforcing agreements. The tripartite relationship can also diffuse the lines of accountability and responsibility for the overall success of a project or programme;
- (d) UNDP operates in a difficult, complex and dynamic environment. In some recipient countries, there is often political instability, limited institutional capacity, administrative constraints or poor social and economic infrastructures.

111. During its examination, the Board was mindful of the external constraints under which UNDP operates and has, therefore, concentrated on areas which are more directly within the effective control of UNDP.

Programme management

Implementation of the programme approach

112. Country programmes are prepared by each recipient Government, usually with the assistance of UNDP country offices to set out the development objectives of UNDP. These programmes, which have a five-year time-frame, have been criticized in the past for their "scatterized" approach to development assistance through a piecemeal portfolio of projects.

113. Since the passing of General Assembly resolution 44/211 on 22 December 1989, UNDP has been developing the necessary guiding principles and procedures required to implement a more focused programme approach. This has been a lengthy process. "Guiding principles" defining the programme approach and indicating how to follow and support it were issued in May 1993 and guidelines for the production of revised programme documentation were issued in November 1993.

114. The Board is concerned that, in the absence of authoritative guidance material, there was considerable scope for uncertainty and perhaps even confusion during implementation. This was corroborated during visits to some country offices where the Board was informed that UNDP programme staff and government counterparts were unclear about exactly what the new programme approach entailed. The Board noted also that in two countries Governments had continued to seek, and had obtained, funding for individual projects, which were not, in the Board's view, consistent with the new programme approach. A number of the programmes the auditors reviewed had set aside a portion of their programme funds to meet such ad hoc requests.

115. UNDP acknowledges the difficulties encountered in launching the new approach, but pointed out that its introduction was a complex, multifaceted exercise involving the whole of the United Nations system. UNDP is confident that, despite the initial difficulties, there is no lack of understanding in country offices regarding the programme approach and that this is now the preferred mode of delivery for UNDP assistance. In reference to the Board's comments that some projects appeared inconsistent with the new programme approach, UNDP responded that the Guidelines on the Programme Approach advise that interventions can be made at all levels. Hence, UNDP believes that discrete, self-contained projects are still useful, especially in the transitional period when all ongoing and negotiated projects will continue to be supported.

116. It is inevitable that implementation of the programme approach will involve a transition period and the Board has concluded that, overall, UNDP has made steady progress. The Board also found clear examples where the implementation of the programme approach is focusing UNDP assistance more tightly. For example, one country programme had reduced its project base from 85 to 39 in under three years.

Country Programme Management Plan

117. The Board noted that comprehensive mid-term reviews are carried out for all country programmes and presented to the Executive Board. At the detailed level, the Country Programme Management Plan (CPMP) provides a framework for the monitoring of the country programme and its resources; and is one of the mechanisms available to maintain effective communication between country offices and UNDP headquarters about planned actions in regard to the country programme.

CPMP should be submitted to headquarters every six months and covers a 12-month planning horizon; it should set out key events (e.g. evaluation missions) and report programme expenditures. This document is therefore viewed by the Board as a key mechanism for facilitating effective management and control.

118. It was originally intended to enter the information from CPMP into the central database of the Programme and Project Management System. The Board was concerned to find that, in practice, the CPMP information is not entered into any database and is not used in any consistent or systematic way by headquarters. Opinions on the usefulness of CPMP also varied; some programme staff believed that the document was too detailed and voluminous to be useful whereas others found it valuable.

119. Although the Board noted the extensive use of narrative reports in the absence of any systematic programme reports to headquarters from country offices, the Board has concluded that current mechanisms for effective monitoring and control by headquarters need considerable strengthening. UNDP acknowledges that CPMP is currently of limited value to headquarters and has told the Board that its format, function and use will be reviewed. The Board recommends that, as part of this review, UNDP should consider streamlining CPMP documentation and moving more towards "exception reporting", that is, CPMP should concentrate on problem areas where headquarters support is required.

Management information systems

120. The Board recognizes the importance of decentralizing decision-making and delegating as much responsibility as possible to country offices, but there remains a clear role for headquarters in the overall management of country programmes and projects. In an organization as large and diverse as UNDP, effective corporate management information systems are therefore essential to monitor and control the successful implementation of the strategies adopted.

121. At the macro level, UNDP is able to monitor the programme at the country and regional levels. However, the Board found that UNDP programme management information systems were, generally, old, unreliable and lacked integration (see also paras. 215 and 216 below). In practice, information is obtained through numerous stand-alone computer systems (e.g. headquarters Programme and Projects Monitoring System (PPMS), Field Office PPMS, Automated Field Office Accounting System, Income and Cash Management system etc.). The practical impact of these deficiencies is considerable as it is often necessary to create ad hoc reports or conduct time-consuming clerical exercises in order to meet reporting requirements or respond to the information requests of senior management, the Executive Board or the General Assembly (e.g., tracking expenditures on a thematic basis). In some cases, the information systems required to support the implementation of key strategies (e.g., national execution, revised support cost arrangements) were not operational.

122. UNDP is fully aware of the limited facility at headquarters for effective financial monitoring of programmes and projects. UNDP also pointed out that at an aggregate level expenditure data is available on a timely basis by country, agency and source of funds, and they considered it adequate for strategic control purposes.

123. In response to the Board's specific concerns, UNDP initiated a review, through external consultants, to evaluate the function and technical quality of existing and planned country office systems. Based on the consultants' recommendations, UNDP has now begun an Integrated Programme Management project

(IPM) which will address the project needs of country offices and headquarters for financial information on the programme. The Board notes, however, that this project is presently only at a very early stage and that no implementation date has been set. The Board trusts that the IPM project will be afforded high priority, and strongly recommends that it be developed as soon as practicable to meet the programme information needs of senior management.

Project management

Policy and procedures for programme implementation

124. Programmes are implemented through individual projects. Policy and procedures related to programme matters are set out in the Programme and Projects Manual (PPM). This manual is in three volumes and runs to over 1,200 pages. The PPM was last subject to a substantial revision in 1988 and is now out of date. UNDP acknowledged that the PPM is in need of a total review and plans to commence this exercise by June 1994. UNDP pointed out, however, that a series of instructions, guidelines, guiding principles and similar documents have been prepared and shared with all UNDP country offices. These supplementary documents are designed to be responsive to changing needs and priorities.

125. The Board welcomes the proposed review and restructuring of the PPM. In relation to this review, the Board recommends that UNDP considers the scope for reducing the size of the PPM and, in particular, developing an abridged version to serve as an easy reference guide for new and inexperienced programme staff. The Board noted that such a guide was already in use by the Asia and Pacific region.

Project identification and formulation

126. Projects should be identified in the context of the country programme development objectives. UNDP and executing agencies assist the Government in the identification and formulation of projects. The product of the planning and formulation process is a project document which specifies the need for UNDP assistance and which is submitted to UNDP for appraisal and approval.

Project Formulation Framework

127. The Project Formulation Framework (PFF) is intended as an analytical tool serving as a vehicle for discussion of the basic structure and content of a project before writing the full project document. In the view of the Board, a formulation framework document is a useful tool for inviting early feedback on a project concept and ensuring that costly resources are not devoted to progressing fundamentally flawed or ill-conceived project proposals.

128. During their review, the Board observed that a PFF is rarely completed during project formulation. It is a detailed document and, in practice, has often duplicated most of the content of the project document. In the Board's view, the effort involved in completing the PFF in its current form is not cost-effective and this has been corroborated by programme staff who generally see no added value arising from its production. In response, the UNDP told the Board that the continued relevance of the PFF will be considered during various ongoing reviews.

129. The Board believes that there is a need for some formal screening of project ideas and recommends that to overcome the main objections to the current PFF, UNDP should give consideration to devising new, simpler procedures.

Project documents

130. The project document states the scope and objectives of a project. It covers, among other things, how the project meets the objectives of UNDP; short and long-term project objectives; measurable indicators of achievement; activities and outputs required; inputs to be provided; preliminary work plans; and resource requirements. The project document is signed by authorized representatives of the Government, UNDP and the executing agency and constitutes a legal and binding agreement.

131. The project documents examined by the Board followed the required design criteria in all material respects, but were of varying quality in terms of content. Some specific shortcomings noted during the Board's examination are elaborated upon in later sections of the present report under the relevant subject heading.

Project appraisal

132. The purpose of appraisal is to determine whether the project meets UNDP funding criteria and whether the project design is conducive to the achievement of the proposed objectives. Formal appraisal of the project proposal is carried out by headquarters' Project Appraisal Committee (PAC) or by local PACs, where the value of the project is within the approval limit delegated to UNDP country resident representatives. The limit for approval by resident representatives was raised from \$700,000 to \$1 million in 1993. Approval of projects between \$1 million and \$3 million has been delegated by the administrator to regional bureaux assistant administrators. Projects over \$3 million must be submitted to the UNDP Action Committee (AC).

133. The increased limit for approval of projects by the resident representative has resulted in a greater number of projects being approved through local PACs. For local PACs to function effectively, thus ensuring that only high-quality projects receive UNDP funding, it is important that the country offices have access to the necessary expertise and advice. The Board noted that there are sometimes difficulties in finding high-quality, independent consultants locally. One country office visited by the auditors believed that the effectiveness of the local PAC was weakened by the lack of available technical expertise.

134. Although the Board has, in the past, recommended streamlining the project appraisal system, it is essential that the quality of project appraisals does not suffer in the process. It has been suggested that local PACs can strengthen their expertise by drawing on resident experts working locally with other United Nations or aid agencies, but this might not always be feasible. The Board believes that this is an area of critical importance to project design and therefore recommends that UNDP should review the effectiveness of local PACs as a matter of some urgency. The Board noted that an evaluation of the Programme Review Committee and the Project Appraisal Committees is planned for 1994.

135. UNDP acknowledges the Board's concern and believes they are being addressed by the "programme management package" currently under development. This package includes the development of a corporate consultant roster comprised of experts screened and recommended by technical specialists at headquarters. In addition, guidance is being provided to resident representatives on ways of ensuring that

the appraisal process is sufficiently authoritative, thorough and independent to produce a satisfactory result. In completing the programme management package, the performance of local PACs will be thoroughly reviewed and the results incorporated into the guidelines issued.

Follow-up of PAC recommendations

136. The PAC system is an important control mechanism for checking that the project properly meets the aims of UNDP and the Government and has been formulated in accordance with best practice. The effectiveness of this control function may be compromised by the absence of a systematic mechanism for follow-up of PAC recommendations.

137. The Board noted a number of cases where there was no evidence that recommendations made by PAC had been incorporated into the project. In one case examined, project approval was given subject to a number of technical recommendations. There was no evidence that any of these recommendations had been incorporated into the project document and no evidence of any follow-up by PAC. In another case, the same criticisms of project design made by PAC were later made in monitoring and evaluation reports. It is the view of some field offices that the nature of the technical advice provided did not sufficiently take into account the practical realities of actual implementation at the country level. Nevertheless, the Board recommends that the appraisal process be reinforced by systematic recording and follow-up of PAC recommendations and that this action be a condition of project approval. UNDP agrees with the Board's recommendation, and stated that formal procedures to ensure compliance with PAC recommendations will be introduced in the near future.

Key factors in project implementation

138. In the course of its examination, the Board attempted to identify key factors, within the control of UNDP, which are important to the overall success of a project which it defined as the delivery of project outputs to quality, time and budget. In arriving at the list of factors, the Board took account of projects submitted by the regional bureaux as examples of best practice. The factors which the Board identified are:

- (a) Setting of clear and measurable objectives;
- (b) Production of a realistic and comprehensive work plan;
- (c) Government inputs;
- (d) Effective monitoring;
- (e) Sustainability.

Measurable objectives

139. Good objectives are working targets derived from the development aims of the project, which show in measurable terms what the project intends to achieve. In 28 of the 58 projects examined, objectives and outputs were, in the opinion of the Board, not stated in terms that facilitated easy measurement of project progress or achievements in either qualitative or quantitative terms.

140. Often outputs and achievements have been measured only in terms of "delivery", that is, project and programme expenditure. Moreover, this emphasis

on delivery appears to have been used as an informal measure of the performance of country offices; a good office was one which delivered more than was expected, a poor office delivered less. In recent years, however, there has been increasing awareness that, in the absence of suitable measures for assessing performance of a project, it is not possible to demonstrate clearly that development objectives have been achieved, or to enforce proper accountability for the resources consumed. In this regard, the Administration's recent initiatives to reinforce substantive accountability constitute steps in the right direction. The Board will monitor progress in these areas in future audits.

141. The Board recognizes that it is not always easy to measure the impact of project activities, particularly in the social and economic sectors. However, there is clearly scope for improvement, for example, by defining measurable intermediate outputs. UNDP has also acknowledged the need to place more emphasis on the importance of achievement and output measures. The Board therefore recommends that suitable training courses be developed and that examples of best practice be identified and disseminated to programme staff. The Board also recommends that the emphasis on clearly identifying outputs should not be restricted to recent or new projects but that deficiencies in older ongoing projects should also be remedied wherever practicable. UNDP has undertaken to take the Board's recommendations into consideration in the determination of training priorities. In addition, UNDP will take steps to improve output definition in ongoing projects where practicable.

Project work plans

142. A project work plan is vital for organizing and implementing project activities in an efficient and coordinated manner. The Board was therefore concerned to find that project work plans were often of poor quality and concluded that in 24 (over 40 per cent) of the projects examined, adequate work plans had not been prepared.

143. Projects are often approved without a detailed work plan, with the stipulation that preparation of the plan will be the first task of the project manager (usually the chief technical adviser of the executing agency). There appears, however, to be little or no follow-up to check that a detailed work plan has been prepared. On the basis of the work plans examined, the Board concluded that, in a large proportion of projects, the plans did not provide a realistic basis for project implementation and that this is likely to be a major contributory factor to project overruns in respect of both time and budget.

144. The Board recommends that programme staff should be reminded of the importance of preparing high-quality work plans which clearly assign responsibilities for the activities set out in the project document; set target dates for delivery of activities and establish activity budgets against which implementation can be measured. In view of the importance the Board attaches to comprehensive work plans, the Board further recommends that all parties involved in the project should formally approve work plans to signify their commitment to achieving the objectives in the proposed time-frame and their agreement that the plan is realistic.

Government inputs

145. Government commitment is a fundamental component of the approach of UNDP to development assistance and is formally enshrined in country programme and

project documents. With the growth of national execution, the importance of government inputs to the success of programmes and projects will also increase.

146. The Board therefore reviewed the extent to which Governments were meeting their commitments in the projects examined. The most significant problems noted by the Board were experienced in the following areas:

(a) Failure to comply with UNDP reporting requirements and procedures (e.g. failure to produce project progress reports or to complete annual audits of projects);

(b) Delays in appointing counterpart staff.

147. There is some evidence that, especially in certain of the less developed countries, government contributions to projects has been deteriorating. In particular, the organization is increasingly being asked to pay local costs which were normally the responsibility of Government. This is especially significant as far as the provision of project personnel is concerned. It is proving to be more and more difficult to obtain, in sufficient numbers, qualified and motivated counterparts from whose limited number UNDP and other aid agencies draw national project staff. UNDP, in similar fashion to other donors, has been constrained to make ad hoc arrangements through salary supplements and other incentives to attract and retain government staff to work on projects. These issues are now being addressed by UNDP and other donors and will necessarily lead to a re-examination of the way technical cooperation is provided, the validity of the expert/counterpart concept, as well as the whole question of sustainable institution building.

148. Regarding the failure of Governments to comply, under national execution, with substantive and financial reporting on projects, UNDP acknowledges that this has been one of the difficulties encountered in promoting national execution. On the basis of experience to date, new Guidelines on National Execution currently under preparation will address this question through emphasizing the need for compliance, as well as by introducing a new role for country offices to support national execution.

149. The Board noted that in practice there is often very little that UNDP can do to compensate for problems arising from inadequate government inputs. Ultimately, the only effective sanction that UNDP can apply is to withdraw funding for the project concerned and thus bring project activities to a complete stop. Only very rarely would such drastic action be considered appropriate, and the Board did not find any examples of such action during their review.

150. With regard to the specific problems noted in securing government compliance with UNDP procedures, the Board recommends that UNDP explore the scope for accommodating departures from standard procedures, providing the prime objectives of these procedures are satisfied. For example, provided that progress reports are submitted in an acceptable format, it is not necessary for them to match exactly the format prescribed in the PPM. The Board believes that, in some cases, this may significantly ease the burden on national Governments who may find it difficult to meet widely differing internal and external reporting requirements.

Project monitoring

151. Monitoring is the effective oversight of the implementation of a project. It should ensure that project activities are proceeding according to plan, as set out in the project document and the project work plan. Monitoring is important because, if properly carried out, it can identify project problems and initiate remedial action. Responsibility for monitoring rests largely with country office programme staff.

152. The key project monitoring tools are Project Performance Evaluation Reports (PPERs), produced annually by the project's managers; and annual tripartite review meetings of Government, executing agency and UNDP representatives. The PPER is generally used as the basis for discussion in the tripartite reviews.

153. The Board concluded that monitoring of projects has become highly mechanistic: often, apparently, carried out to satisfy an administrative requirement rather than to encourage remedial action. In 23 (40 per cent) of the projects examined, the Board concluded that monitoring had not been carried out effectively. A number of the reports did not cover the key project issues and often failed to address realistically project problems. The absence in some cases of any monitoring reports, in clear breach of project agreements, called into question whether any effective monitoring had been carried out. Furthermore, it was not always evident that the overdue reports had been actively pursued by the country office.

154. These concerns apply equally to the recommendations made in the monitoring reports. It did not appear that there is any formal system of follow-up to ensure that recommendations arising from monitoring reviews have been implemented. It is important that the responsibility for following up recommendations and outstanding monitoring reports be formally assigned, most appropriately to country office programme officers. In the Board's view, this would increase the effectiveness of the monitoring process and improve the accountability of programme staff.

155. UNDP has approximately 140 programme officers plus many national staff in the country offices who, according to the UNDP job classification, are generally expected to allocate about 60 per cent of their annual workload to programme and project monitoring. During country visits, the auditors noted that monitoring was not always given this priority attention. That opinion is corroborated by a recent study by the UNDP Central Evaluation Office which reported that "the majority of field offices (56 per cent) spend a small proportion (less than 20 per cent) of total programme staff time on monitoring and evaluation functions". In view of this, the Board considers that there is scope for closer local monitoring. The Board recommends that UNDP reaffirms the requirement for programme officers to visit project sites each year.

156. UNDP agrees with the principle underlying the Board's recommendation regarding physical inspection of projects, but wish to ensure that, rather than being automatic, such visits should be directed to problem solving and assigned on a priority basis. The Board acknowledges that this is consistent with its recommendation on "exception reporting", but believes that UNDP should ensure all projects are visited at least annually, that is, even those projects that have not reported any problems should be visited to verify that this is the case and to provide an opportunity for project staff to seek any advice or assistance that may be required.

157. The role of UNDP headquarters in project monitoring was not clear to the Board. The auditors noted that project files retained at headquarters contained varying amounts of monitoring documentation; some contained none. In view of the varying practices observed at headquarters, the Board recommends that UNDP review its monitoring information requirements. In particular, the Board recommends that consideration be given to "exception reporting" to headquarters. This would entail reporting to headquarters on a needs basis rather than as a matter of routine. In the Board's view, this would give headquarters monitoring a more meaningful focus to take action in problem areas and increase accountability.

Financial monitoring of projects

158. As noted above, the Board found that there is limited facility at headquarters for effective financial monitoring of programmes and projects.

159. In connection with country office monitoring, the Board was interested to note that one country office visited by the auditors has introduced a formal requirement for programme officers to monitor that requests for funding from project executing staff are appropriate and relevant to the project. In the Board's view, this is a useful mechanism for country office control and monitoring of project expenditure. UNDP has informed the Board that this function is normally included in the operation of programme support units and is carried out by a large number of offices. The programme management guidelines being developed will include reference to the need for more consistent and rigorous application of such financial monitoring at the field level.

160. The Board tried to obtain information from UNDP on how many projects were delivered to time and budget. It was not possible to obtain this information. However, many of the projects examined had substantial budget increases and it appeared that in some cases, budgets had simply been revised to accommodate actual expenditures. In the Board's opinion, UNDP could not demonstrate adequately what mechanisms were in place to ensure that resources were well spent before budget increases were proposed and sanctioned. The Board noted, during its final audit examination, that some 76 projects executed by OPS had exceeded their budgets by more than \$50,000 as at 31 December 1993. Although in 22 cases the over-expenditures were covered within the 20 per cent flexibility under the two-year rolling budget concept, the remaining 54 were explained on the basis of unforeseen or urgent expenditure.

161. In the Board's view, the aim to deliver projects to time and budget is an essential target and performance measure, particularly important in times of financial constraints. UNDP agrees that the delivery of projects to time and within budget is an important target and performance measure and expects the development of new programme management information systems to allow this basic information to be monitored at headquarters.

Sustainability

162. The importance of ensuring sustainability of programmes and projects is now given great emphasis, and is central to the success of the new programme approach. The Board found that in a number of projects examined there were misgivings about the sustainability of the projects once UNDP funding and support were withdrawn. Doubts over sustainability generally arose from such factors as lack of evidence that Governments had made adequate counterpart and budgetary provisions or a perceived lack of the Governments' capacity to sustain project activities in the longer term.

163. However, the Board was unable to find any independent evidence on the general sustainability of UNDP projects except for some data provided by the UNDP Central Evaluation Office (CEO). The CEO data, which related to terminal evaluations conducted on 153 projects approved since 1988, indicated that 30 per cent of the projects examined were not sustainable. In August 1993, UNDP issued updated Guidelines for Evaluators setting out a framework for assessing project relevance, performance and success, including sustainability. In view of the importance of ensuring sustainable development in future, the Board recommends that UNDP consider mounting a specific exercise to determine how many projects completed more than three years ago have proved to be sustainable. This exercise, which could be conducted in collaboration with other interested parties (e.g. executing agencies and Governments), should yield many lessons which would prove valuable in ensuring the sustainability of future projects and programmes.

Evaluation

164. In its examination of evaluation procedures, the Board reviewed the role of the UNDP Central Evaluation Office. In particular, the Board sought to establish whether sufficient programme and project evaluations are being carried out and whether the lessons learned from these evaluations are systematically fed back into UNDP programmes and projects.

165. The Central Evaluation Office is primarily responsible for managing and overseeing the process of evaluation, both within UNDP and in collaboration with agencies and Governments. As such, it has a limited budget for conducting evaluation missions, and performs very few directly itself. The vast majority of evaluations are carried out by the operational units of UNDP or executing agencies. It is mandatory for all projects in excess of \$1 million to be evaluated. The cost of evaluation missions (estimated on average to be in the region of \$35,000 each) is charged directly to project budgets.

166. In attempting to assess whether all projects in excess of \$1 million were, in fact, undergoing evaluations, the Board was hampered by the absence of reliable management information. The CEO computer database is not a reliable record of all evaluations conducted. In addition to a significant backlog in the processing of completed evaluation reports, CEO believes fewer than half of completed evaluation reports are sent to them for analysis. In total, the CEO database includes more than 2,100 recorded evaluation reports out of which 1,087 reports have been processed. The Board was assured by UNDP that the level of coverage is close to 80 per cent of eligible projects.

167. The Board has no means of verifying the assurance by UNDP that over 80 per cent of evaluations have been completed and is most concerned that relatively little data on the outcome of evaluations is available centrally. In particular, it is a matter of concern that it is not possible to identify those projects which have not been evaluated.

168. In addition to doubts about the coverage of evaluations, the Board is also concerned about the quality of some of the data, and of the reliability of the conclusions drawn from it. For example, the Board was surprised to find that, of the 153 terminal evaluations recorded on the database, 58 of the projects were deemed successful, yet 8 of them were also classed as not sustainable. In fact, only 16 (31 per cent) of the 58 successful projects were considered wholly sustainable. With respect to the quality of evaluation data, UNDP recognizes that the soundness and veracity of data is fundamental in drawing reliable conclusions. However, UNDP points out that the central evaluation database

itself has revealed the need to improve on the management and conduct of evaluations, and it is to this end that CEO has contributed to the strengthening of these processes through a revised and improved version of the Guidelines for Evaluators issued in August 1993.

Feedback of lessons learned

169. It is generally acknowledged within UNDP, that there is no effective mechanism for feeding back the results of lessons learned. The CEO database is not utilized by any operational units and, although CEO circularizes summaries of the main lesson learned, there is no way of ensuring these findings are taken into account during project formulation and appraisal.

170. The Board notes, for example, that the PPM guidelines on the Project Formulation Framework makes no reference to the need to take stock of lessons learned from other similar projects. It is also evident that PACs and the Action Committee are not required to take account of evaluation results during their consideration of project proposals.

171. The Board has therefore concluded that, as a result of the significant shortcomings identified during their examination, UNDP is not meeting the prime objectives of the evaluation process. To rectify this situation, the Board believes that CEO would need to be strengthened in order to oversee evaluation work effectively and to provide relevant, practical feedback and guidance to the substantive units of UNDP. In addition to strengthening CEO, the Board recommends that a formal mechanism should be introduced to disseminate "lessons learned" more effectively.

Developments in 1994

172. The Administrator announced recently a strategy for the UNDP programme entitled "Future of the United Nations Development Programme: initiatives for change" (DP/1994/39), which will focus UNDP actions world wide around the concept of sustainable human development. The Executive Board welcomed this strategy (decision 94/14).

173. With regard to project management, UNDP told the Board that it recognizes the importance of (a) clear and measurable objectives; (b) realistic and comprehensive work plans; (c) effective monitoring; (d) sustainability; and (e) feeding back into operations the lessons of evaluations. The lack of clear objectives and measurable outputs had made monitoring and evaluation very difficult in the past, particularly since UNDP itself lacked an overall substantive focus. The new substantive focus of UNDP, contained in the report of the Administrator (DP/1994/39), whereby projects will need to demonstrate measurable progress in promoting sustainable human development in the context of a national framework for sustainable human development, will help overcome this problem. Furthermore, the Administrator has created the new Office for Evaluation and Strategic Planning to help ensure that future programming incorporates past lessons. The Board takes note that under the tripartite relationship (Government, executing agency, UNDP), particularly in national execution with growing cost-sharing, managerial authority for detecting problems and correcting project course lies increasingly with national executing agencies and Governments themselves, as part of "national ownership" and "national capacity-building".

Use of consultants

174. In 1992-1993, UNDP let 5,257 consultancy contracts worth \$83.1 million (an average of \$16,000 per contract). This value represents the total contracted value to date rather than actual expenditure during the period.

175. In its report on the biennium 1990-1991, 1/ the Board noted that the use of Special Management Service Contracts (SMSCs) infringed the staff rules. The Board found that, although no new SMSCs have been used since January 1993, existing contracts have been extended pending the introduction of a new form of long-term contract.

176. UNDP informed the Board that a new contract for Activities of Limited Duration (ALD) will be introduced on a trial basis from 1994. ALD is considered an important and much needed mechanism to bring in specialized staff on a non-career basis. It was intended to introduce the new form of contract quickly, but in practice, the process required extensive consultations within the United Nations system and this took longer than expected. Because the new contract offers a degree of long-term employment, it was felt that it should offer some staff benefits, particularly participation in the Pension Fund. It is therefore significantly more costly to UNDP than the SMSC arrangement. The Board recommends that the cost implications for UNDP be properly assessed at the end of the pilot phase. This assessment should also consider whether, (a) consultants actually wish to be covered by such benefits; and (b) offering consultants the full level of benefits that would apply to staff members is appropriate.

177. The Financial Regulations and Rules on procurement do not make a distinction between types of procurement contracts. This issue was raised by the Board in 1990-1991 when it questioned whether consultancy contracts, valued at more than \$100,000 should be referred to the Contracts Committee. In 1992-1993, the situation remained confused with different parts of UNDP operating different procedures depending on the nature of the contract involved. In response to the Board's observation, UNDP has undertaken to define clearly the types of contract which should be referred to the Contracts Committee.

Selection procedures

178. The Board reviewed a sample of consultancy contracts. It found no documentary evidence of formal short-listing procedures, demonstrating a review of the market, as would be expected normally in the procurement of goods and services. To safeguard the transparency of the contractual process and demonstrate equity, formal records, appropriately signed and reviewed should, in the Board's view, be monitored. In particular, a record should be kept of all consultants considered for a post, the selection criteria applied and assessment procedures undertaken, all interviews conducted and the justification of the final choice. The Board understands that UNDP will address these issues in the revised guidelines currently being drafted and which are expected to be issued by July 1994. UNDP also intends to introduce a centralized roster of consultants during 1994.

179. In regard to the selection of consultants, UNDP informed the Board that a key source of consultants is the pool of former staff members of the United Nations system who possess the relevant experience and skills in a number of fields. The current limit on remuneration for such staff is \$12,000 per annum established by the General Assembly in 1981 and is considered by UNDP to be unnecessarily restrictive some 13 years later. The Board recognizes that the

\$12,000 limit is now more constraining than it was in 1981. A periodic review of the limit would seem appropriate in order to ensure that the real value is not unduly eroded by inflation.

Procurement of goods and services

Introduction

180. Procurement of goods and services is a vital part of UNDP operational and administrative activities. Estimated expenditure in 1992-1993 based on data supplied by UNDP is shown below:

Table 4. Estimated procurement expenditure 1992-1993

| | Number of purchase orders | Value (millions of United States dollars) |
|---|------------------------------|---|
| Office for Project Services (OPS) | | |
| Headquarters | 2 941 | 201.0 |
| Country office | 175 | 3.4 |
| Contacts for services and works (headquarters and field) | 1 992 | 200.0 |
| Total OPS | | 404.4 |
| Headquarters purchasing | | |
| Supplies and equipment (headquarters and field) | 5 044 <u>a</u> / | 11.6 |
| Services | | 2.7 |
| Total, headquarters | | 14.3 |
| Total, estimated expenditure | | 418.7 |

* Including services.

Scope of the audit examination

181. The Board examined procurement practices for goods and services in the Office for Project Services, and at UNDP headquarters. In the course of the examination, the Board reviewed:

(a) The financial rules and regulations governing procurement actions, the extent to which they promote best practice and value for money, and the level of compliance with laid down procedures;

(b) The role of the UNDP Contracts Committee in the procurement process;

(c) The efficiency of procurement procedures and the use of measures or indicators to assist in monitoring the performance of purchasing sections and of suppliers.

Financial Rules and Regulations

182. UNDP Financial Rule 114.18 states the general principles which shall be considered in carrying out the procurement functions of UNDP, including concern for value for money, fair competition and the source of supply.

183. The general principles outlined above underpin the detailed procurement procedures set out in the General Administration Manual and the Operations Handbook of the Office for Project Services. The Board has confirmed that the procedures employed by UNDP are consistent with the governing regulations and rules and that they generally provide a sound framework for procurement activities.

184. The Board wishes to emphasize, however, that the Financial Regulations and Rules, in many ways, represent only the minimum standards consistent with maintaining sound internal controls. Simple adherence to the rules will not, of itself, secure best value for money and, indeed, in the Board's view is unlikely to represent best value procurement. The Board considers that the Regulations and Rules should be viewed only as a framework and believes that there is scope for a more imaginative and commercial approach to purchasing that will generate genuine and tangible savings for UNDP.

Professional training

185. The Board noted that very few staff in the procurement sections have any recognized qualifications in purchasing or have received anything other than basic training. The Board believes that the volume of procurement activity now undertaken by UNDP, and especially OPS, warrants the use of specialist staff with relevant experience and training in procurement techniques. In the short term, the Board suggests that a few suitably qualified staff might be recruited externally. For the longer term, the Board recommends that UNDP should evaluate the potential costs and benefits of sponsoring staff in a programme of formal training.

186. UNDP has noted the Board's recommendation on the need to develop staff capacities in procurement as a specialist function and has informed the Board that OPS plans to institute, by mid-1994, specialized training programmes for procurement staff. Efforts will be made to arrange joint training programmes for both OPS and UNDP staff, with the possible coordination of IAPSO. The Board welcomes these developments.

Project procurement planning

187. Proper planning is essential to secure the best value from procurement actions. Good planning allows sufficient time to research the market and ensure that as many suppliers as possible are invited to bid. It should facilitate also the coordination of procurement actions in respect of multiple requests for the same goods, thus enabling volume discounts to be negotiated. Thorough planning also enables purchasing sections to prioritize procurement requests and to perform their duties in an orderly and efficient manner.

188. From an examination of project and procurement files at UNDP headquarters and at country offices, it is apparent that formal procurement plans are not being prepared on a systematic basis. Project staff have acknowledged in discussions that, in practice, they do schedule their purchasing activities in operating to project workplans. These are not, however, made available to other

staff who carry out procurement activities on their behalf, at country offices or headquarters.

189. For international procurement at headquarters, OPS requires that Project Management Officers (PMO) submit a requisition order to the purchasing section. This should generally be done three to six months in advance of the target delivery date for competitive bidding, or one to two months, if there is no competitive bidding. The Board examined 28 purchase orders processed by OPS and found that these procedures are seldom followed. The requisition documents rarely specified a target delivery date but frequently asked for purchases to be completed "urgently" or "as soon as possible". Requisition documents also tended merely to list the equipment and supplies needed for a project and therefore required further investigation by the purchasing section in order to schedule procurement actions.

190. The Board therefore concludes that there is considerable scope for improving the planning of procurement actions in general and in particular for projects. This is further corroborated by an analysis of 153 project evaluations by the UNDP Central Evaluation Office, which revealed that 46 per cent of projects suffered some delay in the procurement of equipment. In one country the Board visited, a project was delayed almost one full year owing to delays in receiving computer equipment.

191. UNDP has acknowledged that procurement plans require improving and, in response to the Board's observations, OPS proposes to issue supplemental instructions on the completion of requisition documents. OPS has already issued instructions to project officers concerning the setting of realistic target delivery dates in their requisitions. A circular has also been issued to staff in headquarters instituting a more scheduled approach to requisitioning office supplies, furniture and equipment. The Board welcomes these developments and trusts that they will facilitate improved planning of procurement actions in the future.

Testing the market

192. The Financial Regulations of UNDP link the requirement for competitive bidding to the value of procurement actions. In 1992-1993, the regulations required competitive bidding procedures for all purchases of goods or services costing more than \$30,000; purchases costing more than \$100,000 have to be referred to a Contracts Committee.

193. OPS purchases of goods and supplies amounted to \$147 million in 1992-1993. In its examination, the Board examined a sample of 28 cases selected randomly. The Board found that, in most cases, not all the companies invited to submit bids did so. The review suggests also that there is a tendency to invite the absolute minimum number of bids consistent with the Financial Regulations. Consequently, where companies fail to respond, it is doubtful if the prime objective of short-listing, namely testing the market, is being achieved. In 23 cases where short-listing and bidding data were available, the Board found that approximately one in three suppliers contacted declined to submit bids. Moreover, in 5 of the 23 cases examined, even though more than one supplier responded, in practice there was only one acceptable bid (i.e., the other bids were incomplete or failed to meet specifications).

194. In response to the Board's observations, UNDP has agreed that more action is required to ensure the market is being truly tested. In this regard, the Board notes that OPS now requires procurement officers to explain the reasons in

cases where an insufficient number of suppliers have submitted bids. In addition, there is now a requirement to short-list at least six suppliers for purchases over \$30,000 and preferably nine or more firms for purchases over \$100,000.

195. The Board welcomes these developments and recommends that response rates to invitations to bid should be closely monitored in future. This should enable OPS to identify the major reasons for non-response and to correct any recurring problems that may be identified. For example, if suppliers felt insufficient time was allowed for response, or that specifications were drawn too tightly, then OPS could take steps to address these issues.

Suppliers roster

196. A comprehensive, up-to-date and well maintained suppliers roster is essential for the efficient and effective conduct of competitive bidding exercises. In the absence of a comprehensive suppliers database, there is a risk that UNDP rely upon only a relatively small number of suppliers with whom the procurement staff are familiar. OPS maintains a roster of consulting firms for services, and a vendors listing for goods and supplies that provides basic details of suppliers. The Board's examination revealed, however, that both are of limited utility. In the cases examined, it was apparent that many other sources of supplier information were utilized, including catalogues, IAPSO databases and the knowledge of individual staff members.

197. In response to these observations, the Board was told that OPS was addressing the need for improving existing suppliers rosters in the context of the United Nations/IMIS project developments. By the end of March 1994, the OPS suppliers roster contained approximately 2,500 suppliers. The Board welcomes this and recommends that OPS should also make further improvements to roster procedures by checking that prospective suppliers are technically competent, well managed, adequately resourced, financially stable and reliable. UNDP has informed the Board that the OPS Purchasing Section has since instituted a new procedure whereby suppliers are now scrutinized closely, including aspects relating to financial and technical capacity. In addition, OPS now takes steps to confirm the viability of a supplier with whom they want to contract for an amount of \$100,000 or more.

Advertising

198. The Board found that UNDP rarely resorts to advertising although prospective purchases are sometimes advertised in the United Nations publication "Development Business". The Board was informed that, in common with other United Nations agencies, OPS does not normally resort to public advertising of bids. Such advertising is not usually considered cost-effective, given the limited staff resources at UNDP command. However, the Board believes that there is considerable scope for increasing the use of open advertising, especially for high value purchases and recommends that UNDP explore the possibility of making more use of public advertising. In response to the Board's observations, UNDP intends to issue revised instructions later in 1994.

Headquarters Contracts Committee

199. The members of the Contracts Committee are UNDP staff members selected for their wide experience within UNDP; they are not procurement or purchasing specialists. The Committee's role is to review proposed procurement actions and render written advice to the Chief Procurement Officer; this primarily involves

ensuring compliance with procurement principles, rules and regulations. In order to carry out its work, the Committee receives written submissions on proposed contracts and can interview purchasing staff to the extent considered necessary.

200. There were 297 submissions to the UNDP Contracts Committee (value \$105.7 million) during the period January 1992 to October 1993. The nature of submissions received and the decisions reached by the Contracts Committee are summarized below.

Table 5. Approvals granted by the Contracts Committee during the biennium 1992-1993

| Nature of submission to Contracts Committee and decision | Percentage by value | Percentage by number of submissions |
|--|---------------------|-------------------------------------|
| International competitive bidding: submission approved as presented | 49 | 39 |
| International competitive bidding: request for waiver approved | 34 | 35 |
| Local competitive bidding and field office leases: submission approved | 15 | 20 |
| All categories: submission rejected or referred | 2 | 6 |
| Total | 100 | 100 |

201. The Board believes that by providing an extra layer of scrutiny to all significant cases, the Committee provides a clear deterrent to malpractice and thus enhances the accountability process. The Board suggests, however, that there is scope for being more selective in the cases which the Committee reviews. This would enable more detailed examination (including reviewing key documents such as the purchase requisition, detailed specifications, invitations to bid, suppliers responses, etc.) of a smaller number of particularly high-value or unusual submissions, while still retaining the right to review all cases above the prescribed threshold.

202. It might also be possible to review some cases for compliance with rules and regulations after the contract has been let rather than before, thus avoiding any possibility of delaying procurement actions unnecessarily. Under a more selective approach, there would also be no reason to restrict the Committee's involvement to the high-value submissions, a number of lower-value submissions could also be reviewed, thus enhancing the overall deterrent effect of the Committee. The Board also recommends that UNDP consider inviting purchasing specialists from other organizations, including private-sector commercial bodies, on to the Committee in order to bolster the expertise of the Committee and to ensure that UNDP keeps abreast of developments in modern procurement practice.

Waivers to the requirement for invitations to bid

203. Procedures requiring the use of international competitive bidding may be waived in favour of negotiated contracts in defined circumstances (Financial

Rule 114.23). During the period 1 January 1992 to August 1993, a total of 86 submissions involving a request for waiver of competition were put to the Contracts Committee. The total value of these procurement actions amounted to \$25.1 million, equivalent to 24 per cent of the total value of items referred to the Contracts Committee. An analysis was conducted of such waivers granted by the Contracts Committee and the results are set out below.

Table 6. Category and value of waiver granted 1992-1993

| Category of waiver | Contracts Committee | |
|---|---------------------|--------------------------------------|
| | Number of cases | (Thousands of United States dollars) |
| The proposed contract relates to the obtaining of the services of specific individuals (other than for staff services) | 29 | 7 210 |
| The Assistant Administrator determined that invitations for bids or requests for proposals will not give satisfactory results | 23 | 6 834 |
| The exigencies of the services do not permit delay | 17 | 4 598 |
| The proposed contract relates to procurement from a sole source of supply or perishable supplies | 9 | 4 396 |
| Standardization of supplies, equipment or spare parts | 6 | 1 583 |
| The prices or rates are fixed pursuant to national legislation or by regulatory bodies | 2 | 502 |

204. The Board reviewed the submissions supporting the requests for waiver action and found that the reasons given were generally acceptable in the individual circumstances described. However, the general level of waivers granted seems high compared to the total volume of business and we would urge UNDP to monitor closely the use of waivers. In particular, we believe that only in exceptional circumstances should "urgency" be accepted as the main reason for waiver action.

Headquarters procurement

205. Procurement activities carried out by the Division for Administrative and Information Services were examined. In 1992-1993, DAIS procurement section made purchases amounting to \$14.3 million mostly in relation to items such as office supplies and equipment, office furniture and electronic data-processing (EDP) equipment.

206. During its examination, the Board examined a random sample of purchase orders of the Division for Administrative and Information Services (15 per cent by value) and made the following observations:

(a) Definitive procedures and guidelines to govern headquarters procurement activities were not available. The General Administration Manual did not address headquarters procurement procedures as it was intended to cover only country office procurement;

(b) In most cases examined, below \$100,000, where the requirement exists for competitive quotations or bidding, only minimal market testing had occurred. A suppliers roster was not maintained by the Division for Administrative and Information Services nor did they have access to the United Nations vendors roster or to OPS suppliers information;

(c) No arrangements existed to receive and record sealed bids, or to keep them unopened until a specified date. Bids could be faxed directly to the purchasing assistant without any attempt to maintain confidentiality. A deadline for submission of bids was not set, nor were there formal bid-opening procedures;

(d) Purchases of EDP equipment were dealt with as a series of one-of purchases in response to separate uncoordinated requisitions from operating divisions. The lead times provided by divisions was often short and did not therefore facilitate the consolidation of orders into a single planned procurement action. Such consolidation may have afforded the opportunity to negotiate bulk purchasing discounts and phased delivery;

(e) Procurement files relating to purchases were often incomplete and did not serve as a useful record of procurement decisions.

207. Although the Board acknowledges the limited resources devoted to headquarters procurement and the relatively low value of purchases carried out, it recommends that action is taken to address the weaknesses identified. Specifically, the Board recommended:

(a) That UNDP develop formal procedures to govern headquarters purchasing, including the need for proper short-listing procedures, safeguard the confidentiality and impartiality of bidding procedures, and introduce a planned procurement policy and maintenance of adequate procurement files;

(b) That UNDP should seek access to the United Nations vendors roster.

The Board is pleased to note that UNDP has responded promptly and positively to the recommendations and is addressing each of the concerns raised.

Delivery of goods

208. Supplies and equipment should immediately be inspected on receipt to ensure that the items comply with the contract and that their condition is satisfactory; an appropriate receiving report should be issued. This is especially important in relation to items received by country offices. However, it is apparent from visits to field offices and examinations carried out at headquarters that practice in this regard varies widely.

209. OPS has instituted a formal receiving and inspection report which should be returned from the field to the Purchasing Section within 15 days of goods being received. However, fewer than 3 per cent of individual cases examined by the Board complied with this requirement. Consequently, OPS has no assurance that assets, for which they have already made full payment, have been received. Formal acknowledgement of receipt is an essential internal control for

safeguarding the assets of an organization. It is also important that all losses or damaged goods are reported to enable OPS to submit insurance claims promptly.

210. UNDP acknowledges the difficulties achieving compliance with the requirement to confirm receipt of goods, especially at the country level where recipients are normally outside of the direct influence of purchasing staff. IAPSO has also reported that most United Nations agencies are reporting similar difficulties as far as procurement for field operations are concerned. In view of these continuing difficulties, it is strongly recommended that all staff in UNDP be reminded of the importance of completing receipt and inspection reports and that purchasing sections actively pursue cases where receipt is not acknowledged.

Performance measurement

211. The Board noted that UNDP does not currently employ any performance measures or targets in assessing the efficiency of procurement activities. Performance measurement is a key process in establishing accountability at both procurement officer and management levels; and is widely practised in both public and private commercial organizations. The establishment of realistic, quantified targets, agreed with staff, is part of this process. Regular performance reports reviewed by the responsible managers should identify adverse trends and poor performance as they start to happen and hence facilitate timely corrective action. They can also give early indication of fraud and malpractice. The Board recommends strongly that UNDP introduce some basic performance measures and targets as soon as practicable.

Management of information technology

Introduction

212. To manage its activities effectively and discharge its accountability and reporting duties, UNDP must collect, process and disseminate a wide range of financial and non-financial information for management, governing bodies, member Governments and others. In keeping with most organizations, UNDP has installed a large number of microcomputers over the last 15 years which are used for a wide range of administrative and programme purposes. In addition, UNDP has a mainframe computer at its headquarters to run its major financial and accounting systems. In the interest of efficiency, the United Nations computer system is used to process UNDP's payroll.

213. Ever increasing dependence on information technology systems and their high level of sophistication, linked to the heavy capital investment required, have made information technology crucial to the effective functioning of UNDP. The increasing importance of information technology is reflected in the budget estimates for the biennium 1990-1991 to 1994-1995, set out below.

Table 7. Budget estimates for electronic data processing and related expenditures 1990-1995

| | 1990-1991 | 1992-1993 | 1994-1995 |
|----------------------------------|--------------------------------------|-----------|-----------|
| | (Thousands of United States dollars) | | |
| Staff costs | 7 546 | 7 658 | 6 768 |
| Systems development | 5 156 | 6 810 | 7 427 |
| Leases, licenses and maintenance | 2 758 | 2 370 | 2 598 |
| Hardware, software and supplies | 5 527 | 8 070 | 8 659 |
| Shared computer services | 858 | 598 | 656 |
| Total | 21 873 | 25 506 | 26 108 |

Scope of the examination

214. In reviewing the management of information technology, the Board examined the following issues:

(a) The current status of UNDP information systems and the extent to which they meet current needs;

(b) The status of information technology plans and strategies and whether they provide a sound basis for the use of information technology in the future.

Current status of UNDP information systems

215. The Board found that UNDP existing information systems are old and lack integration. Significant resources have been invested in developing stand-alone systems which often overlap considerably in terms of function (see paras. 224-227 below). In the Board's view, this is a direct consequence of the failure to adopt a strategic approach to the management of information technology. The absence of a corporate framework to govern the planning and management of information technology has allowed systems to proliferate throughout UNDP in an uncontrolled fashion.

216. As the Board noted during its separate review of Programme and Project Management, it is not possible at a corporate level to obtain reliable, accurate and timely information about the overall management of the field programme, even in such basic areas as monitoring project expenditures against budgets. Often the only way key information can be obtained quickly is by specific telephone or fax inquiries to country offices or as the result of large-scale clerical exercises. It is widely acknowledged that there is a critical need to identify programme information needs. The UNDP Management Board agreed in September 1992 that an information system to support programme needs was urgently required, however, little progress has so far been made. In the Board's view, the development of adequate programme information systems for headquarters is now the most critical problem facing UNDP. UNDP believes the Integrated Programme Management System will address headquarters needs, and more specifically, budget and expenditure reporting requirements will be addressed by headquarters Programme Financial Management System.

Formulation of an information technology strategy

217. A well-defined strategy is essential to ensure that information technology is used efficiently, effectively and economically to help achieve the objectives of UNDP. Formulating a strategy usually involves determining:

- (a) The business priorities of the organization;
- (b) How business objectives will be met and the role to be played by information technology;
- (c) The nature of the information technology required and the resource implications (including why, where, when and for whom?);
- (d) How senior management will monitor the implementation of the strategic plan. There ought to be, for example, a reliable method for setting milestones and measuring and recording progress in reaching them.

218. The Board found that UNDP has not developed a coherent information technology strategy which addresses the key issues outlined above. Although several developments under way, or approved, are strategic in nature, they do not represent a coherent corporate strategy which clearly states priorities and indicates the time-frame and resources required to achieve them.

219. Examples of important ongoing developments noted by the Board included:

- (a) Development of communication strategies to link country offices with each other and headquarters;
- (b) Development of a standard corporate data model which will facilitate the integration of all UNDP systems at headquarters and in the field;
- (c) The decision to make use of IMIS being developed by the United Nations for personnel and financial functions.

220. However, these developments have been managed in relative isolation without a clear concern for their integration and compatibility. The Board found that UNDP procedures for planning and approving information technology projects had developed in an ad hoc manner over a number of years. Until 1993, the basic planning framework was essentially short term in nature and did not prioritize projects. However, this planning framework was not rigorously applied and effectively fell into disuse.

221. Revised procedures were approved by the Managerial Advisory Group on Information Systems (MAGIS) in March 1993 requiring the development of triennial information systems plans. Individual or groups of bureaux within UNDP should prepare the plans annually on a rolling basis and show clearly the prioritization of activities. It is not clear to the Board how the individual plans will be integrated within an overall corporate strategy. The Board therefore recommends that UNDP review the current planning framework to determine the role of information system plans in the formulation of an overall corporate strategy.

222. UNDP agrees with the Board that there is a clear need for a well-defined corporate strategy and has advised the Board that it has now been able to achieve the required consensus and commitment of major users to an overall strategic framework for the management of information technology. UNDP has put

in place a framework to direct and manage the implementation of the strategy and the Assistant Administrator and Director of the Bureau for Finance and Administration has also requested that the 1994 budget for information technology be reconfigured to support the realization of the immediate strategic objectives set for 1994.

223. The implementation of the main components of the UNDP information technology strategy will be managed and directed by MAGIS. To facilitate an integrated programme approach for the development of all country office and headquarters systems, UNDP has initiated the Integrated Programme Management System (IPM) project. This project will be managed and controlled by the IPM Steering Committee which will comprise a sub-set of members of MAGIS, representatives from country offices, and will be chaired by the Assistant Administrator and Director of the Bureau for Finance and Administration.

224. The Board welcomes the positive steps taken by UNDP to move forward in the definition of an integrated strategy and trusts that a comprehensive strategy will be submitted to the Strategic Management Committee for approval as soon as practicable. In the following paragraphs, the Board sets out a number of matters arising from its examination which they consider reinforce the need to develop and document an information technology strategy as a matter of priority.

Expenditure on information technology

225. To plan and manage the use of information technology resources effectively, it is necessary to know the resources at the disposal of UNDP. The Board found that it was not able to establish the precise amount spent on information technology nor, owing to deficiencies in the asset recording system, could it establish the value and volume of information technology equipment currently employed by UNDP. The Board welcomes the recent moves to centralize control of funding for systems development under the control of MAGIS. In the Board's view, this should facilitate improved prioritization and allocation of resources.

Systems development

226. The Board briefly examined one significant project, the Programme Officer Workbench and Reporting System (POWER). This system is a comprehensive "toolset" for managing the project cycle in a country office. The POWER project was approved by MAGIS and was developed in Indonesia at a cost of \$2.5 million in consultation with other country offices. The intention was to develop a prototype which would then be refined and developed further before being implemented across the network of UNDP country offices.

227. However, the Board noted that a different system, SMART, was being devised by the Latin America and Caribbean Bureau also for use in country offices. This called into question the thoroughness of the management of systems development at a corporate level within UNDP. Considerable time and resources have been devoted to a project (POWER) that did not fully meet the needs of a significant number of country offices.

228. The Board was concerned that by allowing a number of different systems to develop in the field, even if compatibility could be assured, UNDP would incur additional costs in such areas as system development, maintenance and training. Practical difficulties were also likely to arise when transferring staff between regions (i.e., staff might be unfamiliar with systems at the new region) or when trying to integrate field information systems with those at headquarters.

229. In response to the Board's concerns, UNDP initiated a review in September 1993, through external consultants, to evaluate the function and technical quality of existing and planned country office systems. The review was completed in November 1993. The Board believes that the recommended strategy provides a sound basis for future development. In summary, the strategy involves the retention of some key systems, but also the steady migration to a set of integrated systems that will be compatible with and communicate directly with headquarters' systems. A major element of this strategy will be to discontinue investment in the POWER system and to develop the SMART system for the longer term.

Systems development methodology

230. In 1988 MAGIS formally adopted STRADIS, a standard systems development methodology to be applied to all projects under development. The Board found that this methodology was not applied to projects and had in practice been abandoned. The Board places great emphasis on the application of sound methodologies and standards in the development of information technology projects to ensure that they meet user requirements and are delivered to quality, time and budget. We, therefore, recommend that UNDP ensure that a new standardized methodology is introduced without delay. UNDP agrees with the Board and has undertaken to introduce a new systems development methodology as soon as practicable.

Integration with the United Nations/Integrated Management Information System

231. The decision to use the Integrated Management Information System (IMIS) being developed by the United Nations to meet the UNDP administrative system requirements seems well justified. It should save UNDP the considerable costs associated with developing major new systems of its own. This decision was supported by a compatibility exercise, carried out in 1991, which concluded that IMIS could support the majority of UNDP administrative requirements. However, implementing new computer systems on the scale of IMIS is a major undertaking and requires thorough preparation, as well as the clear commitment of senior management and staff. The Board was therefore concerned to find in June 1993 that a project team had not yet been established to coordinate UNDP integration with IMIS.

232. The Board therefore recommended that a project manager be appointed to ensure that UNDP is fully prepared for the introduction of IMIS and that any incompatibility between IMIS and UNDP requirements were identified. The Board was pleased to note that UNDP acted promptly to address this problem and that a coordination project team for UNDP integration with IMIS was in place by October 1993. It will also be necessary to ensure that the UNDP user community is fully involved in this process throughout, and to recognize that some key users will need to devote considerable amounts of time to the project. The Board believes that these steps are essential if UNDP is to ensure a smooth transition to IMIS.

Acknowledgement

233. The Board of Auditors wishes to express its appreciation for the cooperation and assistance extended to its staff by the Administrator and staff of the United Nations Development Programme.

(Signed) Sir John BOURN
Comptroller and Auditor General
of the United Kingdom of Great
Britain and Northern Ireland

(Signed) Osei Tutu PREMPEH
Auditor-General of Ghana

(Signed) Codanda Ganapathy SOMIAH
Comptroller and Auditor General
of India

ANNEX

Follow-up on actions by the United Nations Development Programme to implement the recommendations of the Board of Auditors in its report for the biennium ended 31 December 1991 a/

I. RECOMMENDATION 7 (a)

1. The Board had recommended that further efforts were needed to obtain audited statements of expenditure incurred by executing agencies in time for the issuance of the audit opinion on the UNDP financial statements.

A. Measures taken by the Administration

2. UNDP has raised this issue in the Consultative Committee on Administrative Questions (FB) and believes it arises because of the short time-frame between closure of the UNDP books of account and the date audit certificates are required. The Administration continued to work with the executing agencies to speed up the process in order to receive audited statements in due time.

B. Comments of the Board

3. In its efforts to assist in the resolution of this problem, the Board contacted the external auditors of the major executing agencies. The constructive and timely response from agency external auditors has enabled the Board to overcome problems experienced in previous bienniums and to form an audit opinion on expenditures reported by agencies. In order to ensure that the audited statements continue to be received in time for the Board to take them into consideration, it will be necessary to maintain and strengthen, where possible, the level of cooperation and liaison with executing agencies achieved in 1992-1993.

II. RECOMMENDATION 7 (b)

4. Appropriate measures should be taken to establish adequate property control within the organization and to ensure adequate accountability for decisions concerning cases of loss or damage of property.

A. Measures taken by the Administration

5. UNDP carried out, in 1993, a review of policies and procedures regarding the control of UNDP property. A decentralized headquarters inventory system has now been designed and approved by Senior Management. Although not yet operational, the system is currently being implemented on a pilot basis by selected headquarters units. A country office inventory system has also been developed and, although some refinements are still needed, it was operational in 1993.

a/ Official Records of the General Assembly, Forty-seventh Session, Supplement No. 5A (A/47/5/Add.1), para. 7.

B. Comments of the Board

6. The Board welcomes the progress made in the design and development of inventory systems and has commented on these developments more fully in its report (see paras. 85 to 87). The Board trusts that UNDP will make every effort to ensure that reliable inventory management systems are in place by 31 December 1994. The Board notes, however, that UNDP still needs to address the adequacy of procedures concerning cases of loss or damage of property reported to the Headquarters Property Survey Board. No losses of non-expendable property were reported in 1992-1993, yet the Board is aware of a number of such cases during the biennium. It is imperative that proper procedures for reviewing such losses and recording the outcome of the Headquarters Property Survey Board deliberations are instituted for 1994-1995. In the Board's view, this should be tackled as part of the current work on implementing the new inventory systems.

III. RECOMMENDATION 7 (c)

7. The audit coverage of the organization needs to be improved.

A. Measures taken by the Administration

8. UNDP agreed that because of staffing and resource constraints, internal audit coverage was less than desired. Cost-effective remedial measures have been included as part of the pilot scheme initiating a regional service centre in Malaysia in late 1992.

9. The Regional Service Centre covers the Asia and Pacific region and audit coverage has been significantly increased. Although the Centre will be staffed by some newly recruited auditors, a large portion of the work has been contracted to an internationally recognized firm of Chartered Accountants and Consultants. The firm will carry out annual internal audits of 24 UNDP Field Offices in the Asia and Pacific region.

B. Comments of the Board

10. The Board notes that resources devoted to internal audit have not been increased and still, therefore, considers existing staffing levels insufficient to provide comprehensive audit coverage particularly of headquarters functions. However, the pilot scheme operating in the Regional Service Centre in Malaysia, which the Board visited, appears to have worked well and has greatly increased the quality of audit coverage in this region in a cost-effective manner. The Board notes that UNDP is currently considering expanding this approach to other regions.

IV. RECOMMENDATION 7 (d)

11. The internal audit mandate should be revised to provide a sufficient legal basis for carrying out audit responsibilities.

A. Measures taken by the Administration

12. UNDP took immediate action to present changes to its financial regulations and rules, which were approved by Governing Council decision 92/36.

B. Comments of the Board

13. The Board welcomes the prompt action taken to address the concerns raised in 1990-1991.

V. RECOMMENDATION 7 (e)

14. The Division for Audit and Management Review should not be assigned any operational responsibilities.

A. Measures taken by the Administration

15. The Board was concerned that the Division for Audit and Management Review had operational responsibility for administering and monitoring audit requirements for nationally executed projects and for coordinating and assisting in the management of effective systems for the development, updating and maintenance of manuals for the organization. Following a review of the role and responsibilities of the two sections concerned, UNDP has concluded that no conflict of interest exists. However, the Division for Audit and Management Review will continue to monitor activities in these areas.

B. Comments of the Board

16. While recognizing that the work of one internal audit section concerned is valuable and that it does not present a conflict of interest, the Board notes that significant staff resources are engaged in these activities. The Board considers that, given the scarcity of internal audit resources, the staff concerned could be utilized more effectively on direct audit work. The Board therefore recommends that as part of the ongoing monitoring of these activities, the Division for Audit and Management Review should continue to explore the possibility of transferring these responsibilities to other units.

VI. RECOMMENDATION 7 (f)

17. The pertinent instructions for the hiring of consultants should be observed.

A. Measures taken by the Administration

18. In conjunction with the United Nations, the Division of Personnel has devised a new form of contractual arrangement known as an ALD (Activities of Limited Duration). ALD will alleviate the need to resort to Special Management Service Contracts and has been implemented on a pilot basis since January 1994. ALD will also alleviate the need to resort to Special Service Agreements (SSAs) for services needed for limited period and thus ensure strict adherence to established rules and procedures of SSAs.

B. Comments of the Board

19. The Board welcomes the steps taken to regularize the contractual arrangements formerly conducted under Special Management Service Contracts. The Board notes also that the operation of the new ALD contract is to be reviewed following its implementation on a pilot basis and may, therefore, be further refined in future.

VII. RECOMMENDATION 7 (g)

20. Decisions on personnel matters should be adequately accounted for through sufficient documentation and should be justified by the relevant instructions.

A. Measures taken by the Administration

21. UNDP has now taken corrective action to implement mechanisms to ensure that proper justification, monitoring and documentation of decisions on personnel matters is standard practice.

B. Comments of the Board

22. UNDP has informed the Board that the mechanisms implemented to ensure proper justification, monitoring and documentation of decisions on personnel matters are essentially internal controls operated by the Directorate of the Division of Personnel. In its review of the use of consultants carried out in 1992-1993, the Board found further evidence, however, that the selection, terms of reference, and evaluation of consultants is often poorly documented.

VIII. RECOMMENDATION 7 (h)

23. The actual costs for management services should be established on a factual basis, taking into account all activities provided by the organization.

A. Measures taken by the Administration

24. The UNDP Office for Project Services (OPS) has reviewed the costs for management services and is satisfied that the level reflects actual administrative and management service costs. New guidelines reflecting the use of OPS service unit costs were issued on 30 December 1992, which corrected deficiencies in the calculation of these costs noted by the Board.

B. Comments of the Board

25. The Board has reviewed the revised guidelines and charging methodology applied by OPS and is satisfied that the deficiencies noted by the Board in 1990-1991 have been addressed. Inevitably, however, in the absence of a time recording system to calculate how much staff time is employed on individual MSAs, the charging methodology cannot be precise. On balance, the Board believes that the revised methodology should recover the full costs incurred in the implementation of projects funded under MSAs, including the additional costs

incurred by country offices and the portion attributable to UNDP central services.

IX. RECOMMENDATION 7 (i)

26. The project appraisal and approval procedure at headquarters should be streamlined considerably.

A. Measures taken by the Administration

27. The UNDP Management Board decided to streamline and decentralize the project appraisal and approval procedures while ensuring that appropriate mechanisms were in place to ensure accountability. The detailed procedures and guidelines are currently being developed and it is expected that the Regional Bureaux will be in a position to implement them in 1994.

B. Comments of the Board

28. The Board notes that this area is still under review. The UNDP senior management has recommended that the package of decentralized programme management initiatives, including revised appraisal and approval procedures, should be finalized in 1994. The Board notes also that as a result of the increased level of delegated approval authority, the number of projects presented to the Action Committee (now the Programme Review Committee) declined considerably from 275 in 1992 to 128 in 1993.

X. RECOMMENDATION 7 (j)

29. The problem of timely and proper completion of projects should be systematically addressed on a broad scale.

A. Measures taken by the Administration

30. The Administration acknowledged the need to address this problem and intends to take it up in the context of deliberations on national execution policy, procedures and processes. With regard to the specific problems noted with the United Nations Capital Development Fund (UNCDF) projects, UNDP issued a circular on 13 March 1993, to all programme staff to draw their attention to the need for timely and proper completion of projects. UNCDF senior management staff will continue to monitor proper adherence to these instructions.

B. Comments of the Board

31. The Board notes that the deliberations of UNDP in this area are continuing but that a concerted effort has been made with regard to the specific problems noted with UNCDF. Following the Board's comments, UNCDF has closed 19 projects and has begun the process of closing an additional 30 projects (more than 10 per cent of the ongoing projects as at 31 December 1993).

XI. RECOMMENDATION 7 (k)

32. In-depth evaluations should be used more effectively.

A. Measures taken by the Administration

33. UNDP agreed that there are some instances where exceptions may be made for evaluation requirements. Regional Bureaux have taken steps to ensure that in-depth evaluations need not be scheduled when the nature of specific projects does not so warrant.

B. Comments of the Board

34. The Board has reviewed evaluation procedures during its general examination of programme and project management. The Board found that the data collected regarding completed evaluations is incomplete and therefore unreliable. With regard to the need to target in-depth evaluations more effectively, it is not clear to the Board what concrete action has been taken by UNDP to address this issue. In particular, no criteria have been proposed to facilitate the judgement as to when an evaluation is not warranted. There is thus scope for varying practices to be adopted by Bureaux and country offices in any given set of circumstances. See also paragraphs 164 to 168 of the Board's report.

XII. RECOMMENDATION 7 (l)

35. Office automation efforts should be planned carefully and coordinated from the beginning of a project.

A. Measures taken by the Administration

36. The Administration agreed with the Board's recommendation and now require each headquarters and field office to develop and update annually an office automation plan.

B. Comments of the Board

37. The Board notes that to date, 99 country offices have submitted an office automation plan and that 30 remain outstanding, 14 of whom are small offices in the new countries of the Commonwealth of Independent States. Only 9 of the 26 headquarters units have, however, prepared office automation plans. In its review of the UNDP information technology strategy, the Board has commented on the need to review the current information technology planning framework to ensure it is consistent with the overall strategy (see paras. 212 to 232 of the present report).

III. AUDIT OPINION

We have examined the following appended financial statements, numbered I to XXVII, properly identified, schedules 1 to 11 and the supporting explanatory notes of the United Nations Development Programme for the period ended 31 December 1993 in accordance with the Common Auditing Standards of the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency, except that the scope of our work was limited by the matters referred to below and as explained in paragraphs 47 to 49 of our report. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

Subject to any adjustments that may be found to be necessary upon receipt of outstanding audited expenditure statements relating to nationally executed projects, in our opinion, the financial statements present fairly the financial position of the United Nations Development Programme as at 31 December 1993 and the results of its operations for the financial period then ended; that they were prepared in accordance with the stated accounting policies which were applied on a basis consistent with that of the preceding financial period; and that the transactions were in accordance with the Financial Regulations and the relevant legislative authority.

In accordance with our usual practice, we have issued a long form report on our audit of the United Nations Development Programme's financial statements, as provided for in the Financial Regulations.

(Signed) Sir John BOURN
Comptroller and Auditor General
of the United Kingdom of Great
Britain and Northern Ireland

(Signed) Osei Tutu PREMPEH
Auditor-General of Ghana

(Signed) Codanda Ganapathy SOMIAH
Comptroller and Auditor General
of India

30 June 1994

IV. FINANCIAL STATEMENTS FOR THE BIENNIUM ENDED 31 DECEMBER 1993

STATEMENT I

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Statement of income and expenditure for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| 1990-1991 | | | 1992-1993 |
|---------------------|---|----------------------------|----------------------|
| | INCOME | | |
| | Contributions from Governments and other contributors | (notes 3 and 4) | |
| 1 957 788 371 | Voluntary contributions | | 2 078 651 560 |
| <u>11 497 092</u> | Less: Transfers to government local office costs | (note 5) | <u>9 858 087</u> |
| 1 946 291 279 | | | 2 068 793 473 |
| 12 809 684 | Voluntary contributions for the Special Measures Fund | | 45 026 |
| 388 004 046 | for the Least Developed Countries | | 669 643 853 |
| <u>22 016 420</u> | Cost-sharing contributions | | <u>23 598 089</u> |
| 2 369 121 429 | Cash-counterpart contributions for projects | | 2 762 080 441 |
| 84 664 520 | UNDP extrabudgetary income | (schedule 4) | 92 547 322 |
| <u>162 750 701</u> | Miscellaneous income (net) | (schedule 1 and note 6) | <u>24 387 134</u> |
| 2 616 536 650 | TOTAL INCOME | | <u>2 879 014 897</u> |
| | EXPENDITURE | | |
| 2 178 175 590 | Programme expenditure | (schedule 2) | 2 043 841 336 |
| 208 353 976 | Programme support costs | (notes 2 and 8) | 158 844 779 |
| 61 897 099 | Agency support costs and technical support services | (schedule 2.1) | 89 158 966 |
| <u>10 671 968</u> | Programme support and development activities | (schedule 3) | <u>14 038 198</u> |
| 2 459 098 633 | UNDP sectoral support costs | | 2 305 883 279 |
| 435 363 648 | UNDP biennial budget expenditure (gross) | | 452 533 672 |
| <u>(32 395 520)</u> | UNDP biennial budget income received | (note 9) | <u>(34 651 905)</u> |
| 402 968 128 | | (schedule 3) | 417 881 767 |
| <u>77 707 559</u> | UNDP extrabudgetary expenditure | (schedule 4) | <u>100 490 926</u> |
| 2 939 774 320 | TOTAL EXPENDITURE | | <u>2 824 255 972</u> |
| (658 941) | DECREASE IN PROVISION TO REDUCE THE BOOK VALUE OF ACCOUNTS RECEIVABLE AND DEFERRED CHARGES | (note 10) | <u>(171 539)</u> |
| (322 578 729) | SURPLUS INCOME/(EXPENDITURE) BEFORE ALLOCATIONS FOR RESERVES | | <u>54 930 464</u> |
| - | Reserve for transitional measures | (note 7) | 7 200 000 |
| - | Reserve for budgeted separations | (note 7) | <u>6 359 000</u> |
| - | | | <u>13 559 000</u> |
| (322 578 729) | SURPLUS INCOME/(EXPENDITURE) | (statement IV) | <u>41 371 464</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT II

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Statement of assets and liabilities
as at 31 December 1993
with comparative figures as at 31 December 1991

(United States dollars)

| 1991 | | 1993 |
|---|--|---|
| ASSETS | | |
| Cash | | |
| 2 108 107 | Convertible currencies | 1 935 327 |
| 361 418 | Usable non-convertible currencies | 257 210 |
| 21 132 490 | Accumulated non-convertible currencies | 13 695 937 |
| 793 143 | Currency held for the Trust Fund for the Training in the Russian Federation of Specialists from Developing Countries | - |
| <u>23 221 360</u> | Cash at field offices | <u>30 151 146</u> |
| <u>47 616 518</u> | | (note 11) <u>46 039 620</u> |
| <u>3 210 460</u> | Government letters of credit | (note 12) <u>1 948 700</u> |
| | Investments | (notes 2 and 13) |
| 205 087 831 | General resources | 117 225 817 |
| 405 586 554 | Subsidiary programmes | 616 917 005 |
| 200 000 000 | Investments of the Operational Reserve | 200 000 000 |
| <u>6 405 115</u> | Investments of the Reserve for Field Accommodation | <u>-</u> |
| <u>817 079 500</u> | | (schedule 6, notes 11 and 14) <u>934 142 822</u> |
| <u>867 906 478</u> | Total cash, letters of credit and investments | <u>982 131 142</u> |
| Advances and accounts receivable | | |
| 18 709 444 | Operating funds provided to Governments for executing UNDP projects | 36 415 962 |
| 74 049 056 | Operating funds provided to executing agencies | 68 729 700 |
| 8 664 178 | Due from the United Nations Population Fund | 8 675 812 |
| 16 441 492 | Due from trust funds administered by UNDP | (note 15) 15 906 121 |
| 45 574 460 | Other accounts receivable and deferred charges | (note 16(a)) 31 991 645 |
| <u>15 854 544</u> | Accrued interest | <u>12 050 315</u> |
| <u>179 293 174</u> | | <u>173 769 555</u> |
| <u>18 594 885</u> | Activities under the Reserve for Field Accommodation | (schedule 7) <u>41 502 956</u> |
| <u>1 065 794 537</u> | | <u>1 197 403 653</u> |

STATEMENT II (concluded)

| 1991 | | 1993 |
|--|--|----------------------|
| LIABILITIES, RESERVES AND UNEXPENDED RESOURCES | | |
| Liabilities | | |
| 1 910 297 | Operating funds payable to Governments | 5 215 726 |
| 2 538 512 | Operating funds payable to executing agencies | 4 582 849 |
| 29 783 076 | Uncleared cheques on zero balance accounts | 26 621 016 |
| 119 853 724 | Accounts payable (note 16(b)) | 154 479 987 |
| 179 115 462 | Unliquidated obligations of executing agencies | 107 936 854 |
| 47 799 893 | Management service agreements (net) (schedule 5) | 73 960 885 |
| 2 531 234 | Due to the United Nations | 4 423 601 |
| 56 964 346 | Due to trust funds administered by UNDP (note 15) | 135 800 121 |
| 1 907 708 | Junior Professional Officers programme (schedule 8) | 6 061 865 |
| - | Reserve for transitional measures (note 7) | 7 200 000 |
| - | Reserve for budgeted separations (note 7) | 6 359 000 |
| <u>442 404 252</u> | | <u>532 641 904</u> |
| Reserves | | |
| 200 000 000 | Operational Reserve (note 17) | 200 000 000 |
| <u>25 000 000</u> | Reserve for Field Accommodation (schedule 7) | <u>25 000 000</u> |
| <u>225 000 000</u> | | <u>225 000 000</u> |
| Unexpended resources | | |
| 26 038 447 | Special Measures Fund for the Least Developed Countries (statement IV) | 17 843 055 |
| 164 932 058 | Cost-sharing (statement IV) | 222 670 226 |
| 8 263 299 | Cash counterpart (statement IV) | 6 469 577 |
| <u>32 507 160</u> | Extrabudgetary activities (statement IV) | <u>43 580 112</u> |
| 231 740 964 | | 290 562 970 |
| <u>166 649 321</u> | General resources (statement IV) | <u>149 198 779</u> |
| <u>398 390 285</u> | Balance as at 31 December | <u>439 761 749</u> |
| <u>1 065 794 537</u> | | <u>1 197 403 653</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT III

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Statement of changes in financial position for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| 1990-1991 | | 1992-1993 |
|-----------------------------|---|--------------------|
| SOURCE OF FUNDS | | |
| - | Surplus income (statement I) | 41 371 464 |
| - | Decrease in accounts receivable | 17 910 781 |
| - | Decrease in operating funds provided to executing agencies (net) | 7 363 693 |
| <u>39 199 461</u> | Increase in liabilities | <u>84 887 886</u> |
| <u>39 199 461</u> | Total funds provided | <u>151 533 824</u> |
| APPLICATION OF FUNDS | | |
| 322 578 729 | Surplus expenditure | - |
| 4 262 682 | Increase in accounts receivable | - |
| 5 949 198 | Increase in operating funds provided to Governments (net) | 14 401 089 |
| 43 582 936 | Increase in operating funds provided to executing agencies (net) | - |
| <u>8 596 902</u> | Increase in activities under the Reserve for Field Accommodation | <u>22 908 071</u> |
| <u>384 970 447</u> | Total funds used | <u>37 309 160</u> |
| <u>(345 770 986)</u> | INCREASE (DECREASE) IN CASH, LETTERS OF CREDIT AND INVESTMENTS | <u>114 224 664</u> |
| <u>1 213 677 464</u> | Cash, letters of credit and investments at beginning of the biennium | <u>867 906 478</u> |
| Increase (decrease) in: | | |
| (3 411 590) | Convertible currencies | (172 780) |
| (1 110 083) | Usable non-convertible currencies | (104 208) |
| (25 687 035) | Accumulated non-convertible currencies | (7 436 553) |
| (1 507 015) | Currencies held for Russian Federation Trust Fund | (793 143) |
| 6 940 607 | Cash at field offices | 6 929 786 |
| 1 035 250 | Government letters of credit | (1 261 760) |
| <u>(322 031 120)</u> | Investments | <u>117 063 322</u> |
| <u>(345 770 986)</u> | | <u>114 224 664</u> |
| <u>867 906 478</u> | Cash, letters of credit, and investments at end of the biennium (statement II) | <u>982 131 142</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT IV

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Summary of movement in subsidiary programme funds and general resources
for the biennium ended 31 December 1993

(United States dollars)

| | Special Measures Fund for the Least Developed Countries | Cost-sharing | Cash counterpart | Extrabudgetary activities | General resources | Total |
|--|---|--------------|------------------|------------------------------|----------------------|------------------|
| Balance as at 1 January 1992 | 26 038 447 | 164 932 058 | 8 263 299 | 32 507 160 | 166 649 321 | 398 390 285 |
| Transfer between resources a/ | - | (9 779 632) | - | 19 016 556 b/ | (9 236 924) | - |
| | 26 038 447 | 155 152 426 | 8 263 299 | 51 523 716 | 157 412 397 | 398 390 285 |
| Income received | 45 026 | 669 643 853 | 23 598 089 | 92 547 322 | 2 093 180 607 | 2 879 014 897 c/ |
| Less: Expenditure | | | | | | |
| Programme expenditure | 8 240 418 | 566 486 310 | 24 856 639 | - | 1 444 257 969 | 2 043 841 336 c/ |
| Reimbursement of programme support costs to executing agencies | - | 35 639 743 | 535 172 | - | 225 867 028 | 262 041 943 |
| Other expenditure | - | - | - | 100 490 926 | 417 710 228 | 518 201 154 |
| Total expenditure | 8 240 418 | 602 126 053 | 25 391 811 | 100 490 926 | 2 087 835 225 | 2 824 084 433 |
| Allocations for reserves | - | - | - | - | 13 559 000 | 13 559 000 c/ |
| Surplus income/(expenditure) | (8 195 392) | 67 517 800 | (1 793 722) | (7 943 604) | (8 213 618) | 41 371 464 c/ |
| Balance as at 31 December 1993 (statement II) | 17 843 055 | 222 670 226 | 6 469 577 | 43 580 112 | 149 198 779 | 459 761 749 |

a/ Transfer of cost-sharing income and indicative planning figure add-on funds to extrabudgetary resources.

b/ See schedule 4.

c/ As shown on statement I.

The accompanying notes are an integral part of the financial statements.

STATEMENT V
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Capital Development Fund

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991
(United States dollars)

| 1990-1991 | | 1992-1993 |
|-------------------------------|---|--------------------|
| INCOME AND EXPENDITURE | | |
| 83 965 088 | Voluntary contributions from Governments | 71 915 558 |
| 500 000 | Cost-sharing contributions | 830 518 |
| 2 972 714 | Government contributions for sub-trust funds | 4 425 374 |
| (55 474) | Exchange adjustments on collection of contributions | - |
| 25 025 413 | Interest income: | |
| 216 112 | General resources and cost-sharing | 14 367 048 |
| 395 625 | Sub-trust funds | 126 407 |
| | Miscellaneous income/(expenditure) | (532 317) |
| <u>113 019 478</u> | | <u>91 132 588</u> |
| | Less: Expenditure | |
| 76 691 114 | Project costs: | |
| 479 601 | General resources (note 20(a)) | 104 566 178 |
| 1 346 175 | Cost-sharing | 582 644 |
| | Sub-trust funds | 4 375 814 |
| 2 254 508 | Programme support costs: Executing agencies | |
| 12 846 | General resources (note 20(a)) | 3 088 878 |
| 28 349 | Cost-sharing | 19 881 |
| 8 342 140 | Sub-trust funds | 179 664 |
| | Biennial budget expenditure (schedule 11) | 8 993 835 |
| | Technical support costs (note 20(b)) | 1 982 106 |
| <u>89 154 733</u> | | <u>123 789 000</u> |
| 23 864 745 | Surplus income/(expenditure) | (32 656 412) |
| | | <u></u> |
| ASSETS | | |
| | Cash | |
| 11 761 | Convertible currencies | 3 468 |
| 1 555 | Usable non-convertible currencies | 349 |
| <u>459 452</u> | Accumulated non-convertible currencies | <u>513 464</u> |
| <u>472 768</u> | | <u>517 281</u> |
| | Investments | |
| 106 285 914 | General resources and cost-sharing | 85 169 313 |
| <u>58 900 000</u> | Investments of the operational reserve | <u>55 900 000</u> |
| <u>165 185 914</u> | | <u>141 069 313</u> |
| | (schedule 10) | |
| 8 042 856 | Loans to Governments (note 20(c)) | 11 446 407 |
| 78 060 | Non-convertible currencies pending US dollar credit from UNDP | 132 113 |
| 1 659 401 | Operating funds provided to co-operating agencies | 3 761 571 |
| 3 342 201 | Accounts receivable and deferred charges | 5 042 515 |
| <u>3 567 879</u> | Accrued interest | <u>1 967 656</u> |
| <u>16 690 397</u> | | <u>22 350 262</u> |
| <u>182 349 079</u> | | <u>163 936 856</u> |

STATEMENT V (concluded)

| 1990-1991 | | 1992-1993 |
|--------------------------------------|---|--------------------|
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 13 000 | Operating funds payable to co-operating agencies | 1 288 490 |
| 345 914 | Accounts payable | 169 858 |
| 9 163 795 | Unliquidated obligations of co-operating agencies | 13 466 228 |
| 3 654 638 | Due to UNDP | 10 053 190 |
| 541 931 | Extrabudgetary account (note 20(d)) | 2 985 701 |
| <u>13 719 278</u> | | <u>27 963 467</u> |
| 58 900 000 | Operational reserve (note 20(e)) | 55 900 000 |
| 108 760 114 | Unexpended resources | |
| (83 990) | General resources (schedule 9) | 78 879 406 |
| | Cost-sharing (schedule 9) | 144 003 |
| <u>1 053 677</u> | Sub-trust funds (statement XXVII and schedule 9) | 1 049 980 |
| <u>109 729 801</u> | Balance as at 31 December a/ | <u>80 073 389</u> |
| <u>182 349 079</u> | | <u>163 936 856</u> |

Note: Contributions due from Governments as at 31 December 1993 total \$7,633,031 (1991: \$2,703,908). An analysis of this amount is provided in note 31.

| a/ Consisting of: | 1991 | 1993 |
|-------------------------------------|--------------------|-------------------|
| Unspent allocations: | | |
| General resources | 294 113 258 | 239 151 550 |
| Cost-sharing | 629 545 | 449 000 |
| Sub-trust funds | 205 785 | 5 231 107 |
| Loan commitments undrawn | 1 698 924 | - |
| Allocations in excess of resources: | | |
| General resources | (185 558 929) | (160 272 144) b/ |
| Cost-sharing | (713 535) | (304 997) c/ |
| Sub-trust funds | (645 247) | (4 181 127) c/ |
| | <u>109 729 801</u> | <u>80 073 389</u> |

b/ See note 20(f).

c/ See note 20(g).

The accompanying notes are an integral part of the financial statements.

STATEMENT VI
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Revolving Fund for Natural Resources Exploration

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| 1990-1991 | | 1992-1993 |
|---|--|------------------|
| INCOME AND EXPENDITURE | | |
| 5 012 414 | Voluntary contributions from Governments | 4 273 547 |
| 380 000 | Cost-sharing contributions | - |
| 194 742 | Government contributions for sub-trust funds | - |
| | Interest income: | |
| 429 209 | General resources and cost-sharing | 71 301 |
| - | Sub-trust funds | 8 357 |
| (26 503) | Miscellaneous income/(expenditure) (note 21(a)) | 55 087 |
| <u>5 989 862</u> | | <u>4 408 292</u> |
| | Less: Expenditure | |
| | Project costs: | |
| 4 492 939 | General resources (note 21(b)) | 1 701 803 |
| 127 709 | Sub-trust funds | 7 293 |
| - | Programme support costs: Executing agencies | |
| | General resources | 2 790 |
| 2 535 255 | Biennial budget expenditure (schedule 11) | 1 843 325 |
| 624 248 | Technical support costs (note 21(c)) | 948 595 |
| 25 422 | Extrabudgetary activities | - |
| <u>7 805 573</u> | | <u>4 503 806</u> |
| (1 815 711) | Surplus expenditure | (95 514) |
| | | |
| ASSETS | | |
| | Cash | |
| 3 718 | Convertible currencies | 3 505 |
| 13 617 | Cash at field offices | 19 638 |
| 1 683 000 | Investments (schedule 10) | 1 707 000 |
| 509 330 | Loans to Governments (note 21(d)) | 522 345 |
| 12 726 | Accounts receivable and deferred charges | 4 933 |
| 196 673 | Due from UNDP | 34 164 |
| 4 128 | Accrued interest | 4 485 |
| <u>2 423 192</u> | | <u>2 296 070</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 78 839 | Accounts payable | 43 659 |
| - | Unliquidated obligations of executing agencies | 800 |
| 30 406 | Management service agreements (note 21(e)) | 33 178 |
| <u>109 245</u> | | <u>77 637</u> |
| | Unexpended resources | |
| 2 246 914 | General resources (schedule 9) | 2 150 336 |
| 67 033 | Sub-trust funds (statement XXVII and schedule 9) | 68 097 |
| <u>2 313 947</u> | | <u>2 218 433</u> |
| 2 423 192 | Balance as at 31 December a/ | 2 296 070 |

Statement VI (concluded)

Note: Contributions due from Governments as at 31 December 1993 total \$46,504 (1991: \$380,082).
An analysis of this amount is provided in note 31.

| a/ Consisting of: | <u>1991</u> | <u>1993</u> |
|----------------------|------------------|------------------|
| Unspent allocations: | | |
| General resources | 954 165 | 183 015 |
| Sub-trust funds | 67 033 | 59 740 |
| Unencumbered funds: | | |
| General resources | 1 292 749 | 1 967 321 |
| Sub-trust funds | - | 8 357 |
| | <u>2 313 947</u> | <u>2 218 433</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT VII
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Trust Fund for Sudano-Sahelian Activities
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991
(United States dollars)

| 1990-1991 | | 1992-1993 |
|---|---|-------------------|
| INCOME AND EXPENDITURE | | |
| 11 542 951 | Voluntary contributions from Governments | 6 448 166 |
| 22 891 627 | Cost-sharing contributions | 12 507 545 |
| 5 638 377 | Government contributions for sub-trust funds | 5 446 727 |
| | Interest income: | |
| 7 147 624 | General resources and cost-sharing | 2 566 911 |
| 229 753 | Sub-trust funds | 129 000 |
| (101 960) | Miscellaneous income/(expenditure) | 8 350 |
| <u>47 348 372</u> | | <u>27 106 699</u> |
| | Less: Expenditure | |
| | Project costs: | |
| 7 522 923 | General resources | 10 917 719 |
| 16 235 603 | Cost-sharing | 18 945 786 |
| 6 314 219 | Sub-trust funds | 5 568 848 |
| | Programme support costs: Executing agencies | |
| 271 548 | General resources | 536 499 |
| 936 812 | Cost-sharing | 868 947 |
| 430 135 | Sub-trust funds | 318 636 |
| 5 328 358 | Biennial budget expenditure (schedule 11) | 6 720 368 |
| - | Transfers and refunds - sub-trust funds (statement XXVII) | (455 813) |
| <u>37 039 598</u> | | <u>43 420 990</u> |
| 10 308 774 | Surplus income/(expenditure) | (16 314 291) |
| ASSETS | | |
| 8 247 | Cash | 8 634 |
| 54 914 905 | Investments (schedule 10) | 32 874 817 |
| 3 649 340 | Operating funds provided to Governments for executing projects | 4 723 807 |
| 9 893 | Operating funds provided to executing agencies | 38 090 |
| 203 096 | Accounts receivable and deferred charges | 18 877 |
| - | Due from UNDP | 486 480 |
| 379 288 | Due from UNEP for UNDP/UNEP joint-venture activities (note 22(b)) | 542 517 |
| 601 018 | Accrued interest | 497 461 |
| <u>59 765 787</u> | | <u>39 190 683</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 65 181 | Operating funds payable to Governments for executing projects | 564 995 |
| 498 436 | Operating funds payable to executing agencies | 265 464 |
| 632 623 | Accounts payable | 662 008 |
| 893 821 | Unliquidated obligations of executing agencies | 1 540 709 |
| 2 023 627 | Management service agreements (note 22(a)) | 913 487 |
| 2 660 295 | Due to UNDP | - |
| 710 244 | Extrabudgetary account (note 22(c)) | 213 709 |
| <u>7 484 227</u> | | <u>4 160 372</u> |
| | Unexpended resources | |
| 34 940 804 | General resources (schedule 9) | 25 789 645 |
| 15 621 965 | Cost-sharing (schedule 9) | 8 349 893 |
| 1 718 791 | Sub-trust funds (statement XXVII and schedule 9) | 890 773 |
| <u>52 281 560</u> | Balance as at 31 December a/ | <u>35 030 311</u> |
| 59 765 787 | | 39 190 683 |

STATEMENT VII (concluded)

Note: Contributions due from Governments as at 31 December 1993 total \$15,846,686 (1991: \$11,718,858). An analysis of this amount is provided in note 31.

| a/ Consisting of: | <u>1991</u> | <u>1993</u> | |
|-------------------------------------|--------------------|--------------------|----|
| Unspent allocations: | | | |
| General resources | 16 208 125 | 7 620 150 | |
| Cost-sharing | 33 624 813 | 22 415 416 | |
| Sub-trust funds | 4 949 047 | 4 580 500 | |
| Unencumbered funds: | | | |
| General resources | 18 732 679 | 18 169 495 | |
| Allocations in excess of resources: | | | |
| Cost-sharing | (18 002 848) | (14 065 523) | b/ |
| Sub-trust funds | <u>(3 230 256)</u> | <u>(3 689 727)</u> | b/ |
| | <u>52 281 560</u> | <u>35 030 311</u> | |
| b/ See note 22(d). | | | |

The accompanying notes are an integral part of the financial statements.

STATEMENT VIII
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Volunteers Programme

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| 1990-1991 | | 1992-1993 |
|---|---|-------------------|
| INCOME AND EXPENDITURE | | |
| 1 855 367 | Voluntary contributions from Governments | 2 865 668 |
| 7 337 627 | Government contributions for sub-trust funds | 12 563 770 |
| | Interest income: | |
| 1 319 955 | General resources | 967 763 |
| 387 589 | Sub-trust funds | 365 734 |
| 7 685 174 | Recovery of external costs (note 23(a)) | 9 697 182 |
| <u>(86 972)</u> | Miscellaneous income/(expenditure) | <u>(42 232)</u> |
| <u>18 498 740</u> | | <u>26 417 885</u> |
| | Less: Expenditure | |
| | Project costs: | |
| 10 273 506 | General resources | 11 177 670 |
| 5 568 254 | Sub-trust funds | 9 496 279 |
| <u>549 008</u> | Programme support costs: Executing agencies | <u>804 208</u> |
| <u>16 390 768</u> | Sub-trust funds | <u>21 478 157</u> |
| 2 107 972 | Surplus income | 4 939 728 |
| | | |
| ASSETS | | |
| 20 133 374 | Investments (schedule 10) | 20 880 980 |
| 95 360 | Due from UNHCR (note 23(b)) | - |
| 349 350 | Accounts receivable and deferred charges | 1 121 176 |
| - | Due from UNDP | 2 083 138 |
| <u>157 049</u> | Accrued interest | <u>168 315</u> |
| <u>20 735 133</u> | | <u>24 253 609</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 1 333 482 | Accounts payable | 1 554 599 |
| - | Projects financed by UNHCR (note 23(b)) | 137 583 |
| 1 358 345 | Projects financed by donor Governments (note 23(b)) | 3 611 733 |
| 5 579 244 | Due to UNDP | - |
| <u>556 436</u> | Extrabudgetary account (note 23(c)) | <u>2 102 340</u> |
| <u>8 827 507</u> | | <u>7 406 255</u> |
| | Unexpended resources | |
| 6 855 812 | General resources (schedule 9) | 9 166 523 |
| <u>5 051 814</u> | Sub-trust funds (statement XXVII and schedule 9) | <u>7 680 831</u> |
| <u>11 907 626</u> | Balance as at 31 December a/ | <u>16 847 354</u> |
| <u>20 735 133</u> | | <u>24 253 609</u> |

STATEMENT VIII (concluded)

Note: Contributions due from Governments as at 31 December 1993 total \$1,067,340 (1991: \$2,632,361). An analysis of this amount is provided in note 31.

| a/ Consisting of: | <u>1991</u> | <u>1993</u> | |
|-------------------------------------|--------------------|-------------------|----|
| Unspent allocations: | | | |
| General resources | 5 435 173 | 9 116 377 | b/ |
| Sub-trust funds | 6 718 168 | 7 718 856 | |
| Unencumbered funds: | | | |
| General resources | 1 420 639 | 50 146 | |
| Allocations in excess of resources: | | | |
| Sub-trust funds | <u>(1 666 354)</u> | <u>(38 025)</u> | c/ |
| | <u>11 907 626</u> | <u>16 847 354</u> | |
| b/ See note 23(d). | | | |
| c/ See note 23(e). | | | |

The accompanying notes are an integral part of the financial statements.

STATEMENT IX
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Fund for Science and Technology for Development
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| 1990-1991 | | 1992-1993 |
|---|--|------------------|
| INCOME AND EXPENDITURE | | |
| 307 796 | Voluntary contributions from Governments | 340 405 |
| 781 435 | Cost-sharing contributions | 42 000 |
| 4 578 840 | Government contributions for sub-trust funds | 1 232 106 |
| 454 338 | Interest income: | |
| 234 135 | General resources and cost-sharing | 66 837 |
| 60 092 | Sub-trust funds | 162 156 |
| 863 | Miscellaneous income/(expenditure) | (3 952) |
| | Transfer of income from other trust funds | - |
| <u>6 417 499</u> | | <u>1 839 552</u> |
| Less: Expenditure | | |
| | Project costs: | |
| 1 301 207 | General resources | 765 128 |
| 161 908 | Cost-sharing | 97 374 |
| 2 971 673 | Sub-trust funds | 2 327 058 b/ |
| | Programme support costs: Executing agencies | |
| 54 680 | General resources | 59 853 |
| 18 570 | Cost-sharing | 25 536 |
| 300 448 | Sub-trust funds | 205 110 |
| 1 325 125 | Biennial budget expenditure (schedule 11) | 782 732 |
| 34 140 | Extrabudgetary expenditure | 214 |
| | Transfer and refunds - sub-trust funds (statement XXVII) | (18 317) |
| <u>6 167 751</u> | | <u>4 244 688</u> |
| 249 748 | Surplus income/(expenditure) | (2 405 136) |
| ASSETS | | |
| 708 612 | Cash | 5 440 |
| 4 600 000 | Investments (schedule 10) | 2 276 000 |
| 137 136 | Non-convertible currencies pending US dollar credit from UNDP | 170 920 |
| 302 387 | Operating funds provided to Governments for executing projects | 178 367 |
| 14 777 | Operating funds provided to executing agencies | 13 819 |
| 300 119 | Accounts receivable and deferred charges | 70 |
| 46 217 | Accrued interest | 11 714 |
| <u>6 109 248</u> | | <u>2 656 330</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 6 028 | Operating funds payable to Governments for executing projects | 35 433 |
| 41 344 | Operating funds payable to executing agencies | 315 539 |
| 1 350 | Accounts payable | 1 683 |
| 295 287 | Unliquidated obligations of executing agencies | 412 971 |
| 1 470 750 | Due to UNDP | 73 335 |
| 65 356 | Extrabudgetary account (note 24(a)) | 11 689 |
| <u>1 880 115</u> | | <u>850 650</u> |

STATEMENT IX (concluded)

| 1990-1991 | | 1992-1993 | |
|-----------|------------------------------|----------------------------------|-----------|
| 2 157 627 | Unexpended resources | | |
| 263 908 | General resources | (schedule 9) | 957 195 |
| | Cost-sharing | (schedule 9) | 182 998 |
| 1 747 449 | Sub-trust funds | (statement XXVII and schedule 9) | 605 552 |
| 60 149 | Extrabudgetary activities | (schedule 9 and note 24(b)) | 59 935 |
| 4 229 133 | Balance as at 31 December a/ | | 1 805 680 |
| 6 109 248 | | | 2 656 330 |

Note: Contributions due from Governments as at 31 December 1993 total \$758,820 (1991: \$2,106,854). An analysis of this amount is provided in note 31.

| a/ Consisting of: | 1991 | 1993 |
|-------------------------------------|-----------|-------------|
| Unspent allocations: | | |
| General resources | 1 404 158 | 811 145 |
| Cost-sharing | 175 309 | 229 581 |
| Sub-trust funds | 2 192 317 | 283 717 |
| Unencumbered funds: | | |
| General resources | 695 023 | 146 050 |
| Cost-sharing | 147 045 | - |
| Sub-trust funds | - | 321 835 |
| Extrabudgetary activities | 60 149 | 59 935 |
| Allocations in excess of resources: | | |
| Cost-sharing | - | (46 583) c/ |
| Sub-trust funds | (444 868) | - |
| | 4 229 133 | 1 805 680 |

b/ This amount includes adjustments to prior bienniums' expenditure of \$453,925.

c/ See note 24(c).

The accompanying notes are an integral part of the financial statements.

STATEMENT X
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
UNDP Trust Fund for the Nationhood Programme of the Fund for Namibia
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991
(United States dollars)

| 1990-1991 | | 1992-1993 |
|---|---|----------------|
| INCOME AND EXPENDITURE | | |
| 1 476 800 | Contributions from the United Nations Fund for Namibia (Nationhood Programme) | 389 000 |
| 101 855 | Interest income | 27 775 |
| <u>36 016</u> | Miscellaneous income/(expenditure) | <u>3 931</u> |
| 1 614 671 | | <u>420 706</u> |
| 1 573 218 | Less: Expenditure | |
| | Project costs | 286 030 |
| <u>111 722</u> | Programme support costs: | |
| | Executing agencies | <u>33 588</u> |
| 1 684 940 | | 319 618 |
| <u>101 855</u> | Transfer of interest income to the United Nations (note 25) | <u>27 775</u> |
| 1 786 795 | | <u>347 393</u> |
| (172 124) | Surplus income/(expenditure) | <u>73 313</u> |
| ASSETS | | |
| 7 731 | Cash | 17 495 |
| 1 540 000 | Investments (schedule 10) | 385 000 |
| 248 536 | Operating funds provided to executing agencies | 140 355 |
| - | Due from UNDP | 110 440 |
| <u>4 078</u> | Accrued interest | <u>29</u> |
| 1 800 345 | | <u>653 319</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 108 174 | Operating funds payable to executing agencies | 394 661 |
| 32 813 | Accounts payable (note 25) | 60 588 |
| 59 930 | Unliquidated obligations of executing agencies | 24 704 |
| <u>1 499 375</u> | Due to UNDP | <u>-</u> |
| 1 700 292 | | <u>479 953</u> |
| 272 177 | Unexpended resources | 100 053 |
| <u>(172 124)</u> | Balance as at 1 January | <u>73 313</u> |
| 100 053 | Surplus income/(expenditure) | |
| 1 800 345 | Balance as at 31 December a/ | <u>173 366</u> |
| | | <u>653 319</u> |

a/ Consisting of:

| | 1991 | 1993 |
|------------------------------------|------------------|------------------|
| Unspent allocations | 449 075 | 534 045 |
| Allocations in excess of resources | <u>(349 022)</u> | <u>(360 679)</u> |
| | 100 053 | 173 366 |

The accompanying notes are an integral part of the financial statements.

STATEMENT XI
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
United Nations Development Fund for Women

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| 1990-1991 | | 1992-1993 |
|---|--|-------------------|
| INCOME AND EXPENDITURE | | |
| 18 886 409 | Voluntary contributions from Governments | 19 818 312 |
| 1 659 824 | Cost-sharing contributions | 2 015 174 |
| - | Government contributions for sub-trust funds | 59 929 |
| 1 168 863 | Donations | 920 666 |
| 2 117 677 | Interest income: | |
| 485 571 | General resources and cost-sharing | 921 241 |
| (7 610) | Sub-trust funds | 276 453 |
| | Miscellaneous income/(expenditure) | (118 769) |
| <u>24 310 734</u> | | <u>23 893 006</u> |
| | Less: Expenditure | |
| | Project costs: | |
| 16 100 841 | General resources | 21 223 391 |
| 275 107 | Cost-sharing | 1 871 181 |
| 1 019 339 | Sub-trust funds | 1 838 263 |
| | Programme support costs: Executing agencies | |
| 884 158 | General resources | 518 142 |
| 2 024 | Cost-sharing | 68 412 |
| 105 392 | Sub-trust funds | 188 947 |
| 3 704 490 | Biennial budget expenditure (schedule 11) | 5 199 062 |
| 1 261 722 | Technical support costs (note 26(a)) | 1 185 613 |
| | Transfers and refunds - sub-trust funds (statement XXVII) | 431 041 |
| <u>23 353 073</u> | | <u>32 524 052</u> |
| 957 661 | Surplus income/(expenditure) | (8 631 046) |
| | | |
| ASSETS | | |
| 1 305 834 | Cash | 15 909 |
| | Investments | |
| 8 390 000 | General resources and cost-sharing | 8 574 000 |
| 6 200 000 | Investments of the operational reserve | 5 100 000 |
| <u>14 590 000</u> | | <u>13 674 000</u> |
| | | (schedule 10) |
| 3 289 236 | Operating funds provided to Governments for executing projects | 4 568 761 |
| 1 311 224 | Operating funds provided to executing agencies | 232 324 |
| 3 637 | Accounts receivable and deferred charges | 101 230 |
| 73 941 | Due from UNDP | - |
| 156 304 | Accrued interest | 85 561 |
| 32 733 | Extrabudgetary account | 2 686 |
| <u>4 867 075</u> | | <u>4 990 562</u> |
| 20 762 909 | | 18 680 471 |
| | | |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 501 881 | Operating funds payable to Governments for executing projects | 124 506 |
| 173 198 | Operating funds payable to other executing agencies | 147 718 |
| 221 481 | Accounts payable | 89 737 |
| 458 774 | Unliquidated obligations of executing agencies | 2 160 351 |
| 16 197 | Management service agreements (note 26(b)) | 16 197 |
| | Due to UNDP | 5 381 630 |
| <u>1 371 531</u> | | <u>7 920 139</u> |

STATEMENT XI (concluded)

| 1990-1991 | | | 1992-1993 |
|-------------------|------------------------------|-------------------------------------|-------------------|
| <u>6 200 000</u> | Operational reserve | (note 26(c)) | <u>5 100 000</u> |
| 8 400 251 | Unexpended resources | | |
| 1 573 136 | General resources | (schedule 9) | 2 915 493 |
| | Cost-sharing | (schedule 9) | 1 648 717 |
| <u>3 217 991</u> | Sub-trust funds | (statement XXVII and schedule 9) | <u>1 096 122</u> |
| <u>13 191 378</u> | Balance as at 31 December a/ | | <u>5 660 332</u> |
| <u>20 762 909</u> | | | <u>18 680 471</u> |

Note: Contributions due from Governments as at 31 December 1993 total \$2,475,488 (1991: \$2,046,729). An analysis of this amount is provided in note 31.

| a/ Consisting of: | 1991 | 1993 |
|-------------------------------------|--------------------|-----------------------|
| Unspent allocations: | | |
| General resources | 8 914 590 | - |
| Cost-sharing | 1 973 595 | 5 808 557 |
| Sub-trust funds | 4 401 637 | 2 446 032 |
| Unencumbered funds: | | |
| General resources | - | 2 915 493 |
| Allocations in excess of resources: | | |
| General resources | (514 339) | - |
| Cost-sharing | (400 459) | (4 159 840) b/ |
| Sub-trust funds | <u>(1 183 646)</u> | <u>(1 349 910) b/</u> |
| | <u>13 191 378</u> | <u>5 660 332</u> |

b/ See note 26(d).

The accompanying notes are an integral part of the financial statements.

STATEMENT XII
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
UNDP Energy Account

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| <u>1990-1991</u> | | <u>1992-1993</u> |
|---|--|------------------|
| INCOME AND EXPENDITURE | | |
| 33 676 | Voluntary contributions from Governments | 25 027 |
| 3 222 830 | Cost-sharing contributions | 913 643 |
| 521 624 | Interest income | 360 510 |
| <u>43 503</u> | Miscellaneous income/(expenditure) | <u>1 211</u> |
| <u>3 821 633</u> | | <u>1 300 391</u> |
| 4 769 951 | Less: Expenditure | 1 215 090 |
| 184 543 | Project costs | |
| <u>287 200</u> | Programme support costs: | |
| | Executing agencies | (96 503) b/ |
| | Administrative and programme support costs | <u>501 615</u> |
| <u>5 241 694</u> | | <u>1 620 002</u> |
| (1 420 061) | Surplus expenditure | <u>(319 611)</u> |
| ASSETS | | |
| 23 816 | Cash | - |
| 5 186 | Operating funds provided to Governments for executing projects | 95 914 |
| 13 074 | Operating funds provided to executing agencies | 241 966 |
| <u>5 011 587</u> | Due from UNDP | <u>3 887 090</u> |
| <u>5 053 663</u> | | <u>4 224 970</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 8 609 | Operating funds payable to Governments for executing projects | 8 609 |
| 137 057 | Operating funds payable to executing agencies | 98 628 |
| 5 600 | Accounts payable | 9 903 |
| <u>528 610</u> | Unliquidated obligations of executing agencies | <u>53 654</u> |
| <u>679 876</u> | | <u>170 794</u> |
| 5 793 848 | Unexpended resources | 4 373 787 |
| (1 420 061) | Balance as at 1 January | <u>(319 611)</u> |
| <u>4 373 787</u> | Surplus expenditure | |
| | Balance as at 31 December g/ | <u>4 054 176</u> |
| <u>5 053 663</u> | | <u>4 224 970</u> |

Note: Contributions due from Governments as at 31 December 1993 total \$1,134,710 (1991: \$666,429). An analysis of this amount is provided in note 31.

| | | |
|---------------------|------------------|------------------|
| g/ Consisting of: | <u>1991</u> | <u>1993</u> |
| Unspent allocations | 1 796 278 | 2 310 535 |
| Unencumbered funds | <u>2 577 509</u> | <u>1 743 641</u> |
| | <u>4 373 787</u> | <u>4 054 176</u> |

b/ This amount includes credit adjustments to prior bienniums' expenditure of \$105,827.

The accompanying notes are an integral part of the financial statements.

STATEMENT XIII
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator

Trust Fund for the Training in the Russian Federation of Specialists from Developing Countries

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| <u>1990-1991</u> | | <u>1992-1993</u> |
|---|--|------------------|
| INCOME AND EXPENDITURE | | |
| 2 957 611 | Voluntary contributions from Governments | - |
| 92 395 | Interest income | 2 440 |
| (2 494 289) | Miscellaneous income/(expenditure) (note 27) | (97 302) |
| <u>555 717</u> | | <u>(94 862)</u> |
| 2 255 592 | Less: Expenditure | |
| | Project costs | (198 572) |
| 282 111 | Programme support costs: | |
| <u>340 000</u> | Executing agencies | (26 019) |
| | UNDP | <u>97 000</u> |
| <u>2 877 703</u> | | <u>(127 591)</u> |
| (2 321 986) | Surplus income/(expenditure) | 32 729 |
| | | <u>32 729</u> |
| ASSETS | | |
| 609 771 | Operating funds provided to executing agencies | 34 511 |
| <u>391 038</u> | Due from UNDP | <u>608 711</u> |
| <u>1 000 809</u> | | <u>643 222</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 691 052 | Operating funds payable to executing agencies | 510 184 |
| <u>209 448</u> | Unliquidated obligations of executing agencies | <u>-</u> |
| <u>900 500</u> | | <u>510 184</u> |
| 2 422 295 | Unexpended resources | |
| (2 321 986) | Balance as at 1 January | 100 309 |
| | Surplus income/(expenditure) | <u>32 729</u> |
| <u>100 309</u> | | <u>133 038</u> |
| <u>1 000 809</u> | Balance as at 31 December a/ | <u>643 222</u> |

Note: Contributions due from Governments as at 31 December 1993 total \$804,725 (1991:\$1,575,029).
An analysis of this amount is provided in note 31.

| | | |
|------------------------------------|--------------------|----------------|
| a/ Consisting of: | <u>1991</u> | <u>1993</u> |
| Unspent allocations | 2 177 172 | 11 547 |
| Unencumbered funds | - | 121 491 |
| Allocations in excess of resources | <u>(2 076 863)</u> | <u>-</u> |
| | <u>100 309</u> | <u>133 038</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XIV
 UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
Trust Fund for Special Netherlands Contribution for the Least Developed Countries
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991
 (United States dollars)

| <u>1990-1991</u> | | <u>1992-1993</u> |
|---|--|-------------------|
| INCOME AND EXPENDITURE | | |
| <u>414 641</u> | Interest income | <u>180 690</u> |
| 803 003 | Less: Expenditure | 1 262 573 |
| <u>104 390</u> | Project costs | |
| | Programme support costs: | |
| | Executing agencies | <u>138 030</u> |
| <u>907 393</u> | | <u>1 400 603</u> |
| (492 752) | Surplus expenditure | (1 219 913) |
| <u> </u> | | <u> </u> |
| ASSETS | | |
| <u>2 425 494</u> | Due from UNDP | <u>1 055 056</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| <u>244 965</u> | Unliquidated obligations of executing agencies | <u>94 440</u> |
| | Unexpended resources | |
| 2 673 281 | Balance as at 1 January | 2 180 529 |
| (492 752) | Surplus expenditure | (1 219 913) |
| <u>2 180 529</u> | Balance as at 31 December <i>a/</i> | <u>960 616</u> |
| <u>2 425 494</u> | | <u>1 055 056</u> |

| | | |
|--------------------------|------------------|----------------|
| <i>a/</i> Consisting of: | <u>1991</u> | <u>1993</u> |
| Unspent allocations | 1 047 262 | 906 549 |
| Unencumbered funds | <u>1 133 267</u> | <u>54 067</u> |
| | <u>2 180 529</u> | <u>960 616</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XV
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
UNDP Trust Fund for Developing Countries Afflicted by Famine and Malnutrition
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991
(United States dollars)

| <u>1990-1991</u> | | <u>1992-1993</u> |
|---|--|--------------------|
| INCOME AND EXPENDITURE | | |
| 434 663 | Cost-sharing contributions | 888 081 |
| 272 470 | Interest income | 215 066 |
| <u>(284)</u> | Miscellaneous income/(expenditure) | <u>81 118</u> |
| <u>706 849</u> | | <u>1 184 265</u> |
| 2 906 036 | Less: Expenditure | 3 169 248 |
| <u>(672)</u> | Project costs | |
| | Programme support costs: | |
| | Executing agencies | <u>-</u> |
| <u>2 905 364</u> | | <u>3 169 248</u> |
| <u>(2 198 515)</u> | Surplus expenditure | <u>(1 984 983)</u> |
| ASSETS | | |
| 2 199 | Cash | 2 199 |
| 303 000 | Government Letter of Credit | - |
| 2 059 874 | Operating funds provided to Governments for | 387 622 |
| 69 757 | executing projects | 29 362 |
| <u>567 283</u> | Operating funds provided to executing agencies | <u>591 724</u> |
| | Due from UNDP | |
| <u>3 002 113</u> | | <u>1 010 907</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 95 565 | Operating funds payable to Governments for | 75 344 |
| 19 668 | executing projects | 6 422 |
| <u>31 704</u> | Operating funds payable to executing agencies | <u>58 948</u> |
| | Unliquidated obligations of executing agencies | |
| <u>146 937</u> | | <u>140 714</u> |
| 5 053 691 | Unexpended resources | 2 855 176 |
| <u>(2 198 515)</u> | Balance as at 1 January | <u>(1 984 983)</u> |
| | Surplus expenditure | |
| <u>2 855 176</u> | Balance as at 31 December a/ | <u>870 193</u> |
| <u>3 002 113</u> | | <u>1 010 907</u> |

a/ Consisting of:

| | <u>1991</u> | <u>1993</u> |
|------------------------------------|------------------|------------------|
| Unspent allocations | 3 828 982 | 1 399 060 |
| Allocations in excess of resources | <u>(973 806)</u> | <u>(528 867)</u> |
| | <u>2 855 176</u> | <u>870 193</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XVI
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
Pérez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991
(United States dollars)

| 1990-1991 | | 1992-1993 |
|---|---|------------------|
| INCOME AND EXPENDITURE | | |
| - | Voluntary contributions from Governments | 1 000 |
| 1 120 250 | Interest income | 889 672 |
| - | Miscellaneous income/(expenditure) | 3 161 |
| <u>1 120 250</u> | | <u>893 833</u> |
| | Less: Expenditure | |
| 1 041 079 | Project costs | 1 447 406 |
| 33 356 | Programme support costs: UNDP | 14 474 |
| <u>1 074 435</u> | | <u>1 461 880</u> |
| 45 815 | Surplus income/(expenditure) | (568 047) |
| <u></u> | | <u></u> |
| ASSETS | | |
| 3 395 | Cash | 466 |
| 6 561 704 | Investments (schedule 10) | 5 862 027 |
| 707 640 | Operating funds provided to Governments for executing projects | 47 877 |
| 71 252 | Operating funds provided to executing agencies | 268 107 |
| <u>147 524</u> | Accrued interest | <u>225 489</u> |
| <u>7 491 515</u> | | <u>6 403 965</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 6 306 | Unliquidated obligations of executing agencies | - |
| <u>622 752</u> | Due to UNDP | <u>109 555</u> |
| <u>629 058</u> | | <u>109 555</u> |
| | Unexpended resources | |
| 6 816 642 | Balance as at 1 January | 6 862 457 |
| 45 815 | Surplus income/(expenditure) | (568 047) |
| <u>6 862 457</u> | | <u>6 294 410</u> |
| <u>7 491 515</u> | Balance as at 31 December a/ | <u>6 403 965</u> |

| | | |
|---------------------|------------------|---------------------|
| a/ Consisting of: | <u>1991</u> | <u>1993</u> |
| Unspent allocations | 1 405 196 | 436 156 |
| Unencumbered funds | <u>5 457 261</u> | <u>5 858 254 b/</u> |
| | <u>6 862 457</u> | <u>6 294 410</u> |

b/ See note 28.

The accompanying notes are an integral part of the financial statements.

STATEMENT XVII
 UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
UNDP Trust Fund for Assistance to Refugee-related Development Projects in Africa
Status of funds for the biennium ended 31 December 1993
with comparative figures for the biennium ended 31 December 1991
 (United States dollars)

| 1990-1991 | | 1992-1993 |
|---|--|------------------|
| INCOME AND EXPENDITURE | | |
| 367 912 | Interest income | 236 497 |
| - | Miscellaneous income/(expenditure) | 1 334 |
| <u>367 912</u> | | <u>237 831</u> |
| 2 159 133 | Less: Expenditure | |
| | Project costs | 1 245 871 |
| 235 923 | Programme support costs: | |
| <u>287 300</u> | Executing agencies | 93 591 |
| | UNDP | <u>219 345</u> |
| <u>2 682 356</u> | | <u>1 558 807</u> |
| (2 314 444) | Surplus expenditure | (1 320 976) |
| <u></u> | | <u></u> |
| ASSETS | | |
| 240 167 | Operating funds provided to Governments for | |
| 154 834 | executing projects | 354 198 |
| <u>2 622 124</u> | Operating funds provided to executing agencies | 97 680 |
| | Due from UNDP | <u>1 261 443</u> |
| <u>3 017 125</u> | | <u>1 713 321</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 13 004 | Operating funds payable to Governments for | |
| <u>63 543</u> | executing projects | 93 719 |
| | Unliquidated obligations of executing agencies | <u>93 719</u> |
| <u>76 547</u> | | |
| 5 255 022 | Unexpended resources | 2 940 578 |
| (2 314 444) | Balance as at 1 January | (1 320 976) |
| | Surplus expenditure | |
| <u>2 940 578</u> | | <u>1 619 602</u> |
| <u>3 017 125</u> | Balance as at 31 December a/ | <u>1 713 321</u> |

| | | |
|------------------------------------|------------------|------------------|
| a/ Consisting of: | 1991 | 1993 |
| Unspent allocations | 2 079 923 | 1 654 829 |
| Unencumbered funds | 860 655 | - |
| Allocations in excess of resources | - | (35 227) |
| | <u>2 940 578</u> | <u>1 619 602</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XVIII

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Trust funds established by the AdministratorUNDP Trust Fund to Combat Poverty and Hunger in Africa

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| 1990-1991 | | 1992-1993 |
|---|---|--|
| INCOME AND EXPENDITURE | | |
| 540 428 | Extrabudgetary contributions from Governments | - |
| - | Interest income: | 1 410 |
| 159 144 | General resources | 57 492 |
| 699 572 | Sub-trust funds | 58 902 |
| | Less: Expenditure | |
| | Project costs: | |
| 98 | General resources | (99) |
| 424 524 | Sub-trust funds | 76 357 |
| | Programme support costs: | |
| 46 698 | Executing agencies - sub-trust funds | 8 399 |
| 62 120 | UNDP - sub-trust funds | 764 |
| 187 902 | Extrabudgetary activities | 62 609 |
| 721 342 | | 148 030 |
| (21 770) | Surplus expenditure | (89 128) |
| ASSETS | | |
| 517 | Accounts receivable and deferred charges | - |
| 1 082 937 | Due from UNDP | 952 499 |
| 1 083 454 | | 952 499 |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 41 827 | Accounts payable | - |
| | Unexpended resources | |
| 44 209 | General resources | (schedule 9) 45 718 |
| 644 405 | Sub-trust funds | (statement XXVII and schedule 9) 616 377 |
| 353 013 | Extrabudgetary activities | (schedule 9) 290 404 |
| 1 041 627 | Balance as at 31 December a/ | 952 499 |
| 1 083 454 | | 952 499 |

| a/ Consisting of: | 1991 | 1993 |
|---------------------------|-----------|---------|
| Unspent allocations: | | |
| Sub-trust funds | 57 498 | 34 862 |
| Unencumbered funds: | | |
| General resources | 44 209 | 45 718 |
| Sub-trust funds | 586 907 | 581 515 |
| Extrabudgetary activities | 353 013 | 290 404 |
| | 1 041 627 | 952 499 |

The accompanying notes are an integral part of the financial statements.

STATEMENT XIX
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator

Trust Fund for the Norwegian Contribution to the Angolan Petroleum Training Centre in Sumbe

Status of funds for the biennium ended 31 December 1993
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| <u>1990-1991</u> | | <u>1992-1993</u> |
|------------------|--------------------------------------|------------------|
| | INCOME AND EXPENDITURE | |
| 66 599 | Interest income | 43 549 |
| - | Less: Expenditure | - |
| 66 599 | Surplus income | 43 549 |
| | | |
| | ASSETS | |
| 487 127 | Due from UNDP | 530 676 |
| | | |
| | LIABILITIES AND UNEXPENDED RESOURCES | |
| | Unexpended resources | |
| 420 528 | Balance as at 1 January | 487 127 |
| 66 599 | Surplus income | 43 549 |
| 487 127 | Balance as at 31 December a/ | 530 676 |
| 487 127 | | 530 676 |
| | | |

| | | |
|---------------------|----------------|----------------|
| a/ Consisting of: | <u>1991</u> | <u>1993</u> |
| Unspent allocations | 50 001 | 50 001 |
| Unencumbered funds | <u>437 126</u> | <u>480 675</u> |
| | 487 127 | 530 676 |
| | | |

STATEMENT XX
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
Trust Fund for Emergency Assistance to the People's Republic of Mozambique
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991
(United States dollars)

| 1990-1991 | | 1992-1993 |
|---|--|-------------------|
| INCOME AND EXPENDITURE | | |
| 6 196 505 | Cost-sharing contributions | 1 905 573 |
| 155 601 | Interest income | 196 667 |
| - | Miscellaneous income/(expenditure) | (16 668) |
| <u>6 352 106</u> | | <u>2 085 572</u> |
| 4 645 431 | Less: Expenditure | 2 439 350 |
| | Project costs | |
| 20 205 | Programme support costs: | |
| 72 956 | Executing agencies | 34 588 |
| | UNDP | 83 407 |
| <u>4 738 592</u> | | <u>2 557 345</u> |
| 1 613 514 | Surplus income/(expenditure) | (471 773) |
| <u> </u> | | <u> </u> |
| ASSETS | | |
| 204 271 | Operating funds provided to Governments | 65 436 |
| 330 000 | for executing projects | - |
| 1 612 194 | Operating funds provided to executing agencies | 1 737 194 |
| | Due from UNDP | |
| <u>2 146 465</u> | | <u>1 822 630</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| - | Operating funds payable to Governments | 3 147 |
| - | for executing projects | 107 070 |
| - | Operating funds payable to executing agencies | 37 721 |
| <u> </u> | Unliquidated obligations of executing agencies | <u>147 938</u> |
| 532 951 | Unexpended resources | 2 146 465 |
| 1 613 514 | Balance as at 1 January | (471 773) |
| | Surplus income/(expenditure) | |
| <u>2 146 465</u> | Balance as at 31 December a/ | <u>1 674 692</u> |
| <u>2 146 465</u> | | <u>1 822 630</u> |

Note: Contributions due from Governments as at 31 December 1993 total \$161,241 (1991: \$816,930).
An analysis of this amount is provided in note 31.

| | | |
|------------------------------------|------------------|------------------|
| a/ Consisting of: | 1991 | 1993 |
| Unspent allocations | 2 709 566 | 1 466 258 |
| Unencumbered funds | - | 208 434 |
| Allocations in excess of resources | (563 101) | - |
| | <u>2 146 465</u> | <u>1 674 692</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXI
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
Trust fund for the Global Environment Facility
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| <u>1990-1991</u> | | <u>1992-1993</u> |
|---|--|-------------------|
| INCOME AND EXPENDITURE | | |
| 2 500 000 | Voluntary contributions from Governments | 63 200 000 |
| 70 000 | and other contributors | 1 205 929 |
| - | Cost-sharing contributions | |
| - | Interest income: | |
| - | General resources and cost-sharing | 921 510 |
| - | Miscellaneous income/(expenditure) | (6 447) |
| <u>2 570 000</u> | | <u>65 320 992</u> |
| | Less: Expenditure | |
| 1 811 189 | Project costs: | |
| - | General resources | 41 443 467 |
| - | Cost-sharing | 279 688 |
| 199 723 | Programme support costs: Executing agencies | |
| - | General resources | 2 265 257 |
| - | Cost-sharing | 10 875 |
| - | Administrative costs | 3 581 888 |
| <u>2 010 912</u> | | <u>47 581 175</u> |
| 559 088 | Surplus income | 17 739 817 |
| <u>559 088</u> | | <u>17 739 817</u> |
| ASSETS | | |
| - | Operating funds provided to Governments for | |
| - | executing projects | 910 125 |
| 1 317 939 | Operating funds provided to executing agencies | 2 387 955 |
| - | Due from UNDP | 26 573 758 |
| <u>1 317 939</u> | | <u>29 871 838</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | |
| 22 746 | Operating funds payable to executing agencies | 39 283 |
| - | Accounts payable | 194 473 |
| <u>736 105</u> | Unliquidated obligations of executing agencies | 11 339 177 |
| <u>758 851</u> | | <u>11 572 933</u> |
| 489 088 | Unexpended resources | |
| 70 000 | General resources (schedule 9) | 17 313 539 |
| - | Cost-sharing (schedule 9) | 985 366 |
| <u>559 088</u> | | <u>18 298 905</u> |
| 1 317 939 | Balance as at 31 December a/ | 29 871 838 |
| <u>1 317 939</u> | | <u>29 871 838</u> |

STATEMENT XXI (concluded)

Note: Contributions due from Governments as at 31 December 1993 total \$1,677,852 (1991: Nil).
An analysis of this amount is provided in note 31.

| a/ Consisting of: | <u>1991</u> | <u>1993</u> |
|-------------------------------------|----------------|-------------------|
| Unspent allocations: | | |
| General resources | 1 703 347 | 123 621 905 |
| Cost-sharing | - | 22 466 |
| Unencumbered funds: | | |
| Cost-sharing | - | 962 900 |
| Allocations in excess of resources: | | |
| General resources | (1 144 259) | (106 308 366) b/ |
| | <u>559 088</u> | <u>18 298 905</u> |

b/ See note 29.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXII
 UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
Trust Fund for Environmental Conservation in Bhutan
Status of funds for the biennium ended 31 December 1993 a/
 (United States dollars)

| | <u>1992-1993</u> |
|--|-------------------|
| INCOME AND EXPENDITURE | |
| Voluntary contributions from Governments | 10 093 540 |
| Interest income | 358 584 |
| Miscellaneous income/(expenditure) | <u>(37 267)</u> |
| | <u>10 414 857</u> |
| Less: Expenditure | |
| Project costs | 10 038 |
| Programme support costs: | |
| UNDP | <u>301</u> |
| | <u>10 339</u> |
| Surplus income | <u>10 404 518</u> |
| ASSETS | |
| Investments (schedule 10) | 9 242 067 |
| Operating funds provided to Governments for executing projects | 71 120 |
| Due from UNDP | 898 510 |
| Accrued interest | <u>192 821</u> |
| | <u>10 404 518</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | |
| Unexpended resources | |
| Balance as at 1 January 1992 | - |
| Surplus income | <u>10 404 518</u> |
| Balance as at 31 December 1993 b/ | <u>10 404 518</u> |
| | <u>10 404 518</u> |

a/ This trust fund started its operations in 1992.

b/ Consisting of: 1993

Unencumbered funds 10 404 518 c/

c/ See note 30.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXIII
 UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator
UNDP Trust Fund for Humanitarian and Rehabilitation Assistance for Cambodia
Status of funds for the biennium ended 31 December 1993 a/
 (United States dollars)

| | <u>1992-1993</u> |
|---|---|
| INCOME AND EXPENDITURE | |
| Cost-sharing contributions for sub-trust funds | 7 074 616 |
| Interest income: | |
| Sub-trust funds | <u>84 492</u> |
| | 7 159 108 |
| Less: Expenditure | |
| Project costs: | |
| Sub-trust funds | 5 620 094 |
| Programme support costs: | |
| Executing agencies - sub-trust funds | 597 916 |
| UNDP - sub-trust funds | <u>56 201</u> |
| | 6 274 211 |
| Surplus income | <u>884 897</u> |
| ASSETS | |
| Due from UNDP | <u>1 264 479</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | |
| Unliquidated obligations of executing agencies | <u>379 582</u> |
| Unexpended resources | |
| Sub-trust funds | (statement XXVII and schedule 9) <u>884 897</u> |
| Balance as at 31 December b/ | <u>884 897</u> |
| | <u>1 264 479</u> |

a/ This trust fund started its operations in 1992.

b/ Consisting of: 1993

| | |
|----------------------|----------------|
| Unspent allocations: | |
| Sub-trust funds | 872 858 |
| Unencumbered funds: | |
| Sub-trust funds | <u>12 039</u> |
| | <u>884 897</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXIV
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Trust funds established by the Administrator

"Capacity 21" Trust Fund

Status of funds for the biennium ended 31 December 1993 a/

(United States dollars)

| | <u>1992-1993</u> |
|---|-------------------|
| INCOME AND EXPENDITURE | |
| Voluntary contributions from Governments | <u>19 602 054</u> |
| Less: Expenditure | |
| Project costs | 137 388 |
| Administrative costs | <u>178 538</u> |
| | <u>315 926</u> |
| Surplus income | <u>19 286 128</u> |
| ASSETS | |
| Operating funds provided to Governments for executing projects | 38 962 |
| Due from UNDP | <u>19 284 799</u> |
| | <u>19 323 761</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | |
| Accounts payable | <u>37 633</u> |
| Unexpended resources | |
| Balance as at 1 January | - |
| Surplus income | <u>19 286 128</u> |
| Balance as at 31 December b/ | <u>19 286 128</u> |
| | <u>19 323 761</u> |

Note: Contributions due from Governments as at 31 December 1993 total \$4,208,410.
An analysis of this amount is provided in note 31.

a/ This trust fund started its operations in 1993.

b/ Consisting of:

| | |
|---------------------|-------------------|
| | <u>1993</u> |
| Unspent allocations | 776 611 |
| Unencumbered funds | <u>18 509 517</u> |
| | <u>19 286 128</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Other trust funds established by the Administrator
Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| | Australian Development Assistance Bureau (ADAB)/UNDP Programme Trust Fund | | CIDA/UNDP Trust Fund for the Bangladesh National Household Survey Capability Programme | |
|--|--|------------------|--|----------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 457 979 | 1 099 292 | 354 578 | 546 069 |
| Interest income | 56 444 | 87 453 | 10 510 | - |
| Miscellaneous income/(expenditure) | (242) | - | - | - |
| | <u>514 181</u> | <u>1 186 745</u> | <u>365 088</u> | <u>546 069</u> |
| Less: Expenditure | | | | |
| Project costs | 448 324 | 889 391 | 241 296 | 427 003 |
| Programme support costs: | | | | |
| Executing agencies | 30 200 | 103 971 | 31 368 | 55 511 |
| UNDP | - | - | 2 413 | 4 271 |
| | <u>478 524</u> | <u>993 362</u> | <u>275 077</u> | <u>486 785</u> |
| Surplus income | <u>35 657</u> | <u>193 383</u> | <u>90 011</u> | <u>59 284</u> |
| ASSETS | | | | |
| Operating funds provided to Governments for executing projects | 61 109 | 69 303 | - | - |
| Operating funds provided to executing agencies | - | 94 634 | - | - |
| Due from UNDP | <u>675 904</u> | <u>536 211</u> | <u>722 118</u> | <u>359 442</u> |
| | <u>737 013</u> | <u>700 148</u> | <u>722 118</u> | <u>359 442</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to executing agencies | 29 272 | 15 075 | 544 168 | 219 924 |
| Unliquidated obligations of executing agencies | <u>6 380</u> | <u>19 369</u> | <u>9 321</u> | <u>60 900</u> |
| | <u>35 652</u> | <u>34 444</u> | <u>553 489</u> | <u>280 824</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 665 704 | 472 321 | 78 618 | 19 334 |
| Surplus income | <u>35 657</u> | <u>193 383</u> | <u>90 011</u> | <u>59 284</u> |
| Balance as at 31 December a/ | <u>701 361</u> | <u>665 704</u> | <u>168 629</u> | <u>78 618</u> |
| | <u>737 013</u> | <u>700 148</u> | <u>722 118</u> | <u>359 442</u> |
| a/ Consisting of: | | | | |
| Unspent allocations | - | 415 292 | 111 852 | 375 037 |
| Unencumbered funds | 701 361 | 250 412 | 56 777 | - |
| Allocations in excess of resources | - | - | - | (296 419) |
| | <u>701 361</u> | <u>665 704</u> | <u>168 629</u> | <u>78 618</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | CIDA/UNDP Trust Fund for the Caribbean Project Development Facility | | CIDA/UNDP Trust Fund for the Pakistan National Household Survey Capability Programme | |
|--|--|-----------------|---|-----------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 423 729 | 851 450 | 164 802 | 83 645 |
| Interest income | <u>19 472</u> | <u>2 589</u> | <u>5 614</u> | <u>11 518</u> |
| | <u>443 201</u> | <u>854 039</u> | <u>170 416</u> | <u>95 163</u> |
| Less: Expenditure | | | | |
| Project costs | 359 080 | 789 809 | 144 171 | 147 905 |
| Programme support costs: | | | | |
| Executing agencies | 39 499 | 86 790 | 18 743 | 19 227 |
| UNDP | <u>18 608</u> | <u>35 292</u> | <u>3 413</u> | <u>1 479</u> |
| | <u>417 187</u> | <u>911 891</u> | <u>166 327</u> | <u>168 611</u> |
| Surplus income/(expenditure) | <u>26 014</u> | <u>(57 852)</u> | <u>4 089</u> | <u>(73 448)</u> |
| ASSETS | | | | |
| Operating funds provided to executing agencies | - | - | 39 256 | 65 552 |
| Due from UNDP | <u>-</u> | <u>-</u> | <u>42 534</u> | <u>17 531</u> |
| | <u>-</u> | <u>-</u> | <u>81 790</u> | <u>83 083</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies | - | - | 5 772 | 11 154 |
| Due to UNDP | <u>6 689</u> | <u>32 703</u> | <u>-</u> | <u>-</u> |
| | <u>6 689</u> | <u>32 703</u> | <u>5 772</u> | <u>11 154</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | (32 703) | 25 149 | 71 929 | 145 377 |
| Surplus income/(expenditure) | <u>26 014</u> | <u>(57 852)</u> | <u>4 089</u> | <u>(73 448)</u> |
| Balance as at 31 December b/ | <u>(6 689)</u> | <u>(32 703)</u> | <u>76 018</u> | <u>71 929</u> |
| | <u>-</u> | <u>-</u> | <u>81 790</u> | <u>83 083</u> |
| b/ Consisting of: | | | | |
| Unspent allocations | 270 665 | 308 773 | 33 308 | 186 053 |
| Unencumbered funds | - | - | 42 710 | - |
| Allocations in excess of resources | (270 665) | (308 773) | - | (114 124) |
| Expenditure in excess of resources | <u>(6 689)</u> | <u>(32 703)</u> | <u>-</u> | <u>-</u> |
| | <u>(6 689)</u> | <u>(32 703)</u> | <u>76 018</u> | <u>71 929</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund for Receipt of Payments by Users of the Caribbean Project Development Facility | | UNDP Trust Fund for Action on Development Issues | |
|--|---|-----------------|--|------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 1 278 237 | 673 271 | 2 000 000 | 1 700 000 |
| Interest income | <u>18 306</u> | <u>32 937</u> | <u>3 968</u> | <u>18 128</u> |
| | 1 296 543 | 706 208 | 2 003 968 | 1 718 128 |
| Less: Expenditure | | | | |
| Project costs | 428 669 | 672 604 | 2 221 108 | 1 952 863 |
| Programme support costs: | | | | |
| Executing agencies | 47 154 | 73 980 | 111 056 | 97 642 |
| UNDP | <u>4 287</u> | <u>9 223</u> | <u>53 098</u> | <u>40 032</u> |
| | 480 110 | 755 807 | 2 385 262 | 2 090 537 |
| Surplus income/(expenditure) | <u>816 433</u> | <u>(49 599)</u> | <u>(381 294)</u> | <u>(372 409)</u> |
| ASSETS | | | | |
| Accounts receivable and deferred charges Due from UNDP | - | - | - | 30 888 |
| | <u>980 506</u> | <u>164 073</u> | <u>-</u> | <u>82 554</u> |
| | 980 506 | 164 073 | - | 113 442 |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies Due to UNDP | - | - | - | 2 730 |
| | <u>-</u> | <u>-</u> | <u>270 582</u> | <u>-</u> |
| | - | - | 270 582 | 2 730 |
| Unexpended resources | | | | |
| Balance as at 1 January | 164 073 | 213 672 | 110 712 | 483 121 |
| Surplus income/(expenditure) | <u>816 433</u> | <u>(49 599)</u> | <u>(381 294)</u> | <u>(372 409)</u> |
| Balance as at 31 December g/ | <u>980 506</u> | <u>164 073</u> | <u>(270 582) d/</u> | <u>110 712</u> |
| | 980 506 | 164 073 | - | 113 442 |

g/ Consisting of:

| | | | | |
|------------------------------------|-----------|----------|---------------------|----------|
| Unspent allocations | 1 159 864 | 124 441 | - | 154 487 |
| Unencumbered funds | - | 39 632 | - | - |
| Allocations in excess of resources | (179 358) | - | - | (43 775) |
| Expenditure in excess of resources | <u>-</u> | <u>-</u> | <u>(270 582) d/</u> | <u>-</u> |
| | 980 506 | 164 073 | (270 582) | 110 712 |

d/ Additional contributions amounting to \$125,000 were received in January 1994.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund for Support to the Programmes of the Ministry of Planning of Costa Rica | | UNDP Trust Fund for Assistance to the Technical Cooperation Fund between Peru and Argentina to Administer Food Aid | |
|--|---|------------------|---|------------------|
| | <u>1992-1993</u> | <u>1990-1991</u> | <u>1992-1993</u> | <u>1990-1991</u> |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | - | - | 10 276 | 623 023 |
| Interest income | 47 066 | 76 254 | 22 779 | 21 918 |
| Miscellaneous income/(expenditure) | - | - | (789) | (846) |
| | <u>47 066</u> | <u>76 254</u> | <u>32 266</u> | <u>644 095</u> |
| Less: Expenditure | | | | |
| Project costs | 194 285 | - | 176 656 | 404 029 |
| Programme support costs: | | | | |
| UNDP | - | - | 839 | 24 921 |
| | <u>194 285</u> | <u>-</u> | <u>177 495</u> | <u>428 950</u> |
| Surplus income/(expenditure) | <u>(147 219)</u> | <u>76 254</u> | <u>(145 229)</u> | <u>215 145</u> |
| ASSETS | | | | |
| Operating funds provided to Governments for executing projects | - | 194 285 | 99 549 | 29 535 |
| Due from UNDP | - | <u>332 140</u> | <u>96 122</u> | <u>311 365</u> |
| | <u>-</u> | <u>526 425</u> | <u>195 671</u> | <u>340 900</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | | | | |
| Balance as at 1 January | 526 425 | 450 171 | 340 900 | 125 755 |
| Surplus income/(expenditure) | (147 219) | 76 254 | (145 229) | 215 145 |
| Transfer of resources <i>e/</i> | <u>(379 206)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance as at 31 December <i>f/</i> | <u>-</u> | <u>526 425</u> | <u>195 671</u> | <u>340 900</u> |
| | <u>-</u> | <u>526 425</u> | <u>195 671</u> | <u>340 900</u> |

e/ Refunds to donors and transfers of unexpended resources were made on instructions of donors.
This trust fund will be closed in 1994.

f/ Consisting of:

| | | | | |
|------------------------------------|----------|------------------|----------------|----------------|
| Unspent allocations | - | 639 084 | 64 122 | (62 516) |
| Unencumbered funds | - | - | 131 549 | 403 416 |
| Allocations in excess of resources | - | <u>(112 659)</u> | <u>-</u> | <u>-</u> |
| | <u>-</u> | <u>526 425</u> | <u>195 671</u> | <u>340 900</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP/Live Aid Foundation Trust Fund | | UNDP/United Support of Artists for Africa Trust Fund | |
|--|---|---------------|--|----------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Interest income | 3 582 | 5 480 | 32 194 | 50 454 |
| Miscellaneous income/(expenditure) | - | - | (17) | - |
| | <u>3 582</u> | <u>5 480</u> | <u>32 177</u> | <u>50 454</u> |
| Less: Expenditure | | | | |
| Project costs | - | - | 95 824 | - |
| Programme support costs: | | | | |
| UNDP | - | - | 958 | - |
| | <u>-</u> | <u>-</u> | <u>96 782</u> | <u>-</u> |
| Surplus income/(expenditure) | <u>3 582</u> | <u>5 480</u> | <u>(64 605)</u> | <u>50 454</u> |
| ASSETS | | | | |
| Operating funds provided to executing agencies | - | - | - | 89 862 |
| Due from UNDP | <u>43 650</u> | <u>40 068</u> | <u>295 500</u> | <u>270 243</u> |
| | <u>43 650</u> | <u>40 068</u> | <u>295 500</u> | <u>360 105</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | | | | |
| Balance as at 1 January | 40 068 | 34 588 | 360 105 | 309 651 |
| Surplus income/(expenditure) | <u>3 582</u> | <u>5 480</u> | <u>(64 605)</u> | <u>50 454</u> |
| Balance as at 31 December @/ | <u>43 650</u> | <u>40 068</u> | <u>295 500</u> | <u>360 105</u> |
| | <u>43 650</u> | <u>40 068</u> | <u>295 500</u> | <u>360 105</u> |
| @/ Consisting of: | | | | |
| Unspent allocations | - | 30 309 | - | 4 119 |
| Unencumbered funds | <u>43 650</u> | <u>9 759</u> | <u>295 500</u> | <u>355 986</u> |
| | <u>43 650</u> | <u>40 068</u> | <u>295 500</u> | <u>360 105</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Government of France Trust Fund for the UNDP/World Bank Energy Sector Assessment Programme | | Nicosia Master Plan: Implementation Phase | |
|--|---|------------------|---|-----------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | - | 1 152 615 | - | - |
| Interest income | <u>103 746</u> | <u>78 346</u> | <u>8 722</u> | <u>18 484</u> |
| | <u>103 746</u> | <u>1 230 961</u> | <u>8 722</u> | <u>18 484</u> |
| Less: Expenditure | | | | |
| Project costs | 94 553 | 492 611 | 15 078 | 36 736 |
| Programme support costs: | | | | |
| Executing agencies | 8 510 | 44 336 | 603 | 1 469 |
| UNDP | <u>1 891</u> | <u>9 852</u> | <u>-</u> | <u>-</u> |
| | <u>104 954</u> | <u>546 799</u> | <u>15 681</u> | <u>38 205</u> |
| Surplus income/(expenditure) | <u>(1 208)</u> | <u>684 162</u> | <u>(6 959)</u> | <u>(19 721)</u> |
| ASSETS | | | | |
| Operating funds provided to executing agencies | 20 415 | - | - | - |
| Due from UNDP | <u>1 300 278</u> | <u>1 578 423</u> | <u>88 829</u> | <u>95 788</u> |
| | <u>1 320 693</u> | <u>1 578 423</u> | <u>88 829</u> | <u>95 788</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to executing agencies | - | 173 022 | - | - |
| Unliquidated obligations of executing agencies | <u>-</u> | <u>83 500</u> | <u>-</u> | <u>-</u> |
| | <u>-</u> | <u>256 522</u> | <u>-</u> | <u>-</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 1 321 901 | 637 739 | 95 788 | 115 509 |
| Surplus income/(expenditure) | <u>(1 208)</u> | <u>684 162</u> | <u>(6 959)</u> | <u>(19 721)</u> |
| | <u>1 320 693</u> | <u>1 321 901</u> | <u>88 829</u> | <u>95 788</u> |
| Balance as at 31 December ^{h/} | <u>1 320 693</u> | <u>1 578 423</u> | <u>88 829</u> | <u>95 788</u> |
| h/ Consisting of: | | | | |
| Unspent allocations | 1 058 813 | 1 125 942 | 52 187 | 56 685 |
| Unencumbered funds | <u>261 880</u> | <u>195 959</u> | <u>36 642</u> | <u>39 103</u> |
| | <u>1 320 693</u> | <u>1 321 901</u> | <u>88 829</u> | <u>95 788</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Finland/UNDP Trust Fund for the Construction of an Agro-Veterinary School in Rushashi ^{1/} | | Finland Trust Fund for National Technical Cooperation Assessment and Programme Activities (NaTCAP) | |
|--|---|--------------------|--|--------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 254 902 | - | - | - |
| Interest income | <u>223 884</u> | <u>488 454</u> | <u>109 039</u> | <u>310 874</u> |
| | <u>478 786</u> | <u>488 454</u> | <u>109 039</u> | <u>310 874</u> |
| Less: Expenditure | | | | |
| Project costs | 1 771 811 | 1 434 457 | 296 207 | 1 161 586 |
| Programme support costs: | | | | |
| Executing agencies | 106 309 | 86 067 | 32 582 | 127 775 |
| UNDP | <u>17 718</u> | <u>15 034</u> | <u>8 890</u> | <u>34 848</u> |
| | <u>1 895 838</u> | <u>1 535 558</u> | <u>337 679</u> | <u>1 324 209</u> |
| Surplus expenditure | (1 417 052) | (1 047 104) | (228 640) | (1 013 335) |
| ASSETS | | | | |
| Accounts receivable and deferred charges | - | - | - | 1 795 |
| Due from UNDP | <u>1 505 816</u> | <u>3 165 841</u> | <u>1 028 180</u> | <u>1 227 862</u> |
| | <u>1 505 816</u> | <u>3 165 841</u> | <u>1 028 180</u> | <u>1 229 657</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies | <u>245 132</u> | <u>488 105</u> | <u>47 362</u> | <u>20 199</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 2 677 736 | 3 724 840 | 1 209 458 | 2 222 793 |
| Surplus expenditure | <u>(1 417 052)</u> | <u>(1 047 104)</u> | <u>(228 640)</u> | <u>(1 013 335)</u> |
| | <u>1 260 684</u> | <u>2 677 736</u> | <u>980 818</u> | <u>1 209 458</u> |
| Balance as at 31 December ^{1/} | <u>1 505 816</u> | <u>3 165 841</u> | <u>1 028 180</u> | <u>1 229 657</u> |

^{1/} Contributions due from Governments as at 31 December 1993 total \$85,865 (1991: \$340,767).
An analysis of this amount is provided in note 31.

^{1/} Consisting of:

| | | | | |
|---------------------|------------------|------------------|----------------|------------------|
| Unspent allocations | 502 006 | 2 380 126 | 468 572 | 690 454 |
| Unencumbered funds | <u>758 678</u> | <u>297 610</u> | <u>512 246</u> | <u>519 004</u> |
| | <u>1 260 684</u> | <u>2 677 736</u> | <u>980 818</u> | <u>1 209 458</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | CIDA/UNDP Trust Fund for African Project Development Facility k/ | | CIDA/UNDP Trust Fund to Support Project "Development of Underground Water Resources in Mali" | |
|--|--|----------------|---|--------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 796 677 | 704 969 | - | - |
| Interest income | <u>16 005</u> | <u>-</u> | <u>338</u> | <u>-</u> |
| | 812 682 | 704 969 | 338 | - |
| Less: Expenditure | | | | |
| Project costs | 668 107 | 550 344 | - | - |
| Programme support costs: | | | | |
| Executing agencies | 73 492 | 60 538 | - | - |
| UNDP | <u>27 436</u> | <u>9 117</u> | <u>-</u> | <u>-</u> |
| | 769 035 | 619 999 | - | - |
| Surplus income | <u>43 647</u> | <u>84 970</u> | <u>338</u> | <u>-</u> |
| ASSETS | | | | |
| Operating funds provided to executing agencies | 1 874 | 1 872 | - | 760 |
| Due from UNDP | <u>274 115</u> | <u>559 269</u> | <u>-</u> | <u>2 944</u> |
| | 275 989 | 561 141 | - | 3 704 |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to executing agencies | 121 942 | 435 642 | - | - |
| Unliquidated obligations of executing agencies | <u>-</u> | <u>15 099</u> | <u>-</u> | <u>-</u> |
| | 121 942 | 450 741 | - | - |
| Unexpended resources | | | | |
| Balance as at 1 January | 110 400 | 25 430 | 3 704 | 3 704 |
| Surplus income | 43 647 | 84 970 | 338 | - |
| Transfer of resources l/ | <u>-</u> | <u>-</u> | <u>(4 042)</u> | <u>-</u> |
| Balance as at 31 December m/ | <u>154 047</u> | <u>110 400</u> | <u>-</u> | <u>3 704</u> |
| | 275 989 | 561 141 | - | 3 704 |

k/ Contributions due from Governments as at 31 December 1993 total \$151,515 (1991: \$1,052,632).
An analysis of this amount is provided in note 31.

l/ Refunds to donors and transfers of unexpended resources were made on instructions of donors.
This trust fund was closed in 1993.

m/ Consisting of:

| | | | | |
|------------------------------------|---------------------|------------------|----------|----------|
| Unspent allocations | 378 679 | 1 090 420 | - | - |
| Unencumbered funds | - | - | - | 3 704 |
| Allocations in excess of resources | <u>(224 632) n/</u> | <u>(980 020)</u> | <u>-</u> | <u>-</u> |
| | 154 047 | 110 400 | - | 3 704 |

n/ Allocations exceeding resources were issued on the basis of contributions receivable.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Netherlands Trust Fund for Special Action Programme for Public Administration and Management | | Trust Fund for Special Economic Assistance Programmes | |
|--|---|------------------|---|----------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 534 989 | 1 056 677 | - | - |
| Interest income | <u>287 474</u> | <u>527 400</u> | <u>18 832</u> | <u>32 786</u> |
| | <u>822 463</u> | <u>1 584 077</u> | <u>18 832</u> | <u>32 786</u> |
| Less: Expenditure | | | | |
| Project costs | 1 223 898 | 1 935 239 | 12 000 | 12 170 |
| Programme support costs: | | | | |
| Executing agencies | 159 020 | 248 966 | 1 320 | 250 |
| UNDP | <u>12 239</u> | <u>21 968</u> | <u>120</u> | <u>470</u> |
| | <u>1 395 157</u> | <u>2 206 173</u> | <u>13 440</u> | <u>12 890</u> |
| Surplus income/(expenditure) | <u>(572 694)</u> | <u>(622 096)</u> | <u>5 392</u> | <u>19 896</u> |
| ASSETS | | | | |
| Accounts receivable and deferred charges | - | - | - | 107 |
| Operating funds provided to executing agencies | 122 373 | - | - | - |
| Due from UNDP | <u>3 206 608</u> | <u>3 547 525</u> | <u>219 753</u> | <u>214 254</u> |
| | <u>3 328 981</u> | <u>3 547 525</u> | <u>219 753</u> | <u>214 361</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to executing agencies | 687 211 | 96 789 | - | - |
| Unliquidated obligations of executing agencies | <u>56 885</u> | <u>293 157</u> | <u>-</u> | <u>-</u> |
| | <u>744 096</u> | <u>389 946</u> | <u>-</u> | <u>-</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 3 157 579 | 3 779 675 | 214 361 | 194 465 |
| Surplus income/(expenditure) | <u>(572 694)</u> | <u>(622 096)</u> | <u>5 392</u> | <u>19 896</u> |
| | <u>2 584 885</u> | <u>3 157 579</u> | <u>219 753</u> | <u>214 361</u> |
| Balance as at 31 December g/ | <u>3 328 981</u> | <u>3 547 525</u> | <u>219 753</u> | <u>214 361</u> |
| g/ Consisting of: | | | | |
| Unspent allocations | 844 178 | 1 787 714 | 21 835 | 21 365 |
| Unencumbered funds | <u>1 740 707</u> | <u>1 369 865</u> | <u>197 918</u> | <u>192 996</u> |
| | <u>2 584 885</u> | <u>3 157 579</u> | <u>219 753</u> | <u>214 361</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund for Receipt of Payments by Users of the African Project Development Facility | | CIDA/UNDP Trust Fund to Support Project "Recensement général de la population et de l'habitat" in Senegal | |
|--|---|----------------|--|----------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 337 949 | 187 544 | - | - |
| Interest income | <u>30 715</u> | <u>14 497</u> | <u>41 420</u> | <u>64 493</u> |
| | <u>368 664</u> | <u>202 041</u> | <u>41 420</u> | <u>64 493</u> |
| Less: Expenditure | | | | |
| Project costs | - | - | 2 247 | (9 287) |
| Programme support costs: | | | | |
| UNDP | <u>-</u> | <u>-</u> | <u>22</u> | <u>(93)</u> |
| | <u>-</u> | <u>-</u> | <u>2 269</u> | <u>(9 380)</u> |
| Surplus income | <u>368 664</u> | <u>202 041</u> | <u>39 151</u> | <u>73 873</u> |
| ASSETS | | | | |
| Operating funds provided to Governments for executing projects | - | - | 96 257 | 39 340 |
| Operating funds provided to executing agencies | 175 000 | - | - | - |
| Accounts receivable and deferred charges | - | - | - | 93 |
| Due from UNDP | <u>479 979</u> | <u>286 315</u> | <u>403 609</u> | <u>421 282</u> |
| | <u>654 979</u> | <u>286 315</u> | <u>499 866</u> | <u>460 715</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | | | | |
| Balance as at 1 January | 286 315 | 84 274 | 460 715 | 386 842 |
| Surplus income | <u>368 664</u> | <u>202 041</u> | <u>39 151</u> | <u>73 873</u> |
| Balance as at 31 December ^{e/} | <u>654 979</u> | <u>286 315</u> | <u>499 866</u> | <u>460 715</u> |
| | <u>654 979</u> | <u>286 315</u> | <u>499 866</u> | <u>460 715</u> |
| e/ Consisting of: | | | | |
| Unspent allocations | 524 604 | - | 177 902 | 165 834 |
| Unencumbered funds | <u>130 375</u> | <u>286 315</u> | <u>321 964</u> | <u>294 881</u> |
| | <u>654 979</u> | <u>286 315</u> | <u>499 866</u> | <u>460 715</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund for the Safe Motherhood Initiative | | UNDP Trust Fund for the African 2000 Network | |
|--|--|-----------------|--|------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | - | - | 4 576 437 | 8 604 724 |
| Interest income | 3 923 | 14 207 | 623 588 | 651 004 |
| Miscellaneous income/(expenditure) | - | - | 300 | - |
| | <u>3 923</u> | <u>14 207</u> | <u>5 200 325</u> | <u>9 255 728</u> |
| Less: Expenditure | | | | |
| Project costs | - | 73 000 | 7 062 429 | 4 962 019 |
| Programme support costs: | | | | |
| Executing agencies | - | - | 790 802 | 531 499 |
| UNDP | - | - | 215 673 | 144 954 |
| | <u>-</u> | <u>73 000</u> | <u>8 068 904</u> | <u>5 638 472</u> |
| Surplus income/(expenditure) | <u>3 923</u> | <u>(58 793)</u> | <u>(2 868 579)</u> | <u>3 617 256</u> |
| ASSETS | | | | |
| Accounts receivable and deferred charges | - | - | - | 70 |
| Due from UNDP | <u>-</u> | <u>30 917</u> | <u>6 759 377</u> | <u>9 160 737</u> |
| | <u>-</u> | <u>30 917</u> | <u>6 759 377</u> | <u>9 160 807</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies | - | - | 812 201 | 102 737 |
| Management service agreements | <u>-</u> | <u>-</u> | <u>287 685</u> | <u>530 000</u> |
| | <u>-</u> | <u>-</u> | <u>1 099 886</u> | <u>632 737</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 30 917 | 89 710 | 8 528 070 | 4 910 814 |
| Surplus income/(expenditure) | 3 923 | (58 793) | (2 868 579) | 3 617 256 |
| Transfer of resources g/ | <u>(34 840)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Balance as at 31 December r/ | <u>-</u> | <u>30 917</u> | <u>5 659 491</u> | <u>8 528 070</u> |
| | <u>-</u> | <u>30 917</u> | <u>6 759 377</u> | <u>9 160 807</u> |

g/ Refunds to donors and transfers of unexpended resources were made on instructions of donors.
This trust fund was closed in 1993.

r/ Consisting of:

| | | | | |
|---------------------|----------|---------------|------------------|------------------|
| Unspent allocations | - | - | 5 331 568 | 3 807 587 |
| Unencumbered funds | <u>-</u> | <u>30 917</u> | <u>327 923</u> | <u>4 720 483</u> |
| | <u>-</u> | <u>30 917</u> | <u>5 659 491</u> | <u>8 528 070</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund in Support of the Steering Committee and Secretariat for the United Nations Programme of Action for African Economic Recovery and Development | | African Training and Management Services (ATMS) Project | |
|--|---|------------------|--|------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 161 667 | 138 929 | 2 305 644 | 2 434 697 |
| Interest income | <u>14 511</u> | <u>41 151</u> | <u>115 821</u> | <u>211 714</u> |
| | <u>176 178</u> | <u>180 080</u> | <u>2 421 465</u> | <u>2 646 411</u> |
| Less: Expenditure | | | | |
| Project costs | 104 362 | 271 504 | 4 465 921 | 1 039 529 |
| Programme support costs: | | | | |
| Executing agencies | 6 261 | 16 291 | 491 251 | 114 348 |
| UNDP | <u>1 044</u> | <u>12 617</u> | <u>44 658</u> | <u>10 396</u> |
| | <u>111 667</u> | <u>300 412</u> | <u>5 001 830</u> | <u>1 164 273</u> |
| Surplus income/(expenditure) | <u>64 511</u> | <u>(120 332)</u> | <u>(2 580 365)</u> | <u>1 482 138</u> |
| ASSETS | | | | |
| Government letter of credit | - | - | - | 1 350 000 |
| Due from UNDP | <u>254 332</u> | <u>181 729</u> | <u>1 945 580</u> | <u>2 468 773</u> |
| | <u>254 332</u> | <u>181 729</u> | <u>1 945 580</u> | <u>3 818 773</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to executing agencies | - | - | 861 049 | 133 254 |
| Unliquidated obligations of executing agencies | <u>9 792</u> | <u>1 700</u> | <u>-</u> | <u>20 623</u> |
| | <u>9 792</u> | <u>1 700</u> | <u>861 049</u> | <u>153 877</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 180 029 | 300 361 | 3 664 896 | 2 182 758 |
| Surplus income/(expenditure) | <u>64 511</u> | <u>(120 332)</u> | <u>(2 580 365)</u> | <u>1 482 138</u> |
| | <u>244 540</u> | <u>180 029</u> | <u>1 084 531</u> | <u>3 664 896</u> |
| Balance as at 31 December g/ | <u>254 332</u> | <u>181 729</u> | <u>1 945 580</u> | <u>3 818 773</u> |

g/ Consisting of:

| | | | | |
|------------------------------------|-----------------|----------------|------------------|--------------------|
| Unspent allocations | 258 200 | - | 2 006 191 | 7 488 454 |
| Unencumbered funds | - | 180 029 | - | - |
| Allocations in excess of resources | <u>(13 660)</u> | <u>-</u> | <u>(921 660)</u> | <u>(3 823 558)</u> |
| | <u>244 540</u> | <u>180 029</u> | <u>1 084 531</u> | <u>3 664 896</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Afghanistan Emergency Trust Fund | | UNDP Fund for the Utilization of the Residual Funds of the United Nations Special Relief Office in Bangladesh (UNROB) | |
|--|---|--------------------|---|--------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 3 032 420 | 3 442 350 | - | - |
| Interest income | - | 180 699 | 203 813 | 649 878 |
| Miscellaneous income | - | - | - | 6 143 |
| | <u>3 032 420</u> | <u>3 623 049</u> | <u>203 813</u> | <u>656 021</u> |
| Less: Expenditure | | | | |
| Project costs | 1 480 710 | 6 957 606 | 1 765 018 | 2 072 217 |
| Programme support costs: | | | | |
| Executing agencies | 150 205 | 736 362 | (98 748) ^{g/} | 69 521 |
| UNDP | 15 379 | 33 811 | 17 245 | 48 306 |
| | <u>1 646 294</u> | <u>7 727 779</u> | <u>1 683 515</u> | <u>2 190 044</u> |
| Surplus income/(expenditure) | <u>1 386 126</u> | <u>(4 104 730)</u> | <u>(1 479 702)</u> | <u>(1 534 023)</u> |
| ASSETS | | | | |
| Operating funds provided to executing agencies | - | - | 552 | - |
| Accounts receivable and deferred charges | - | 8 | - | - |
| Due from UNDP | <u>195 557</u> | <u>-</u> | <u>1 829 896</u> | <u>3 747 345</u> |
| | <u>195 557</u> | <u>8</u> | <u>1 830 448</u> | <u>3 747 345</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to executing agencies | - | - | 1 211 747 | 1 202 195 |
| Unliquidated obligations of executing agencies | 170 287 | 439 130 | 28 253 | 475 000 |
| Due to UNDP | <u>-</u> | <u>921 734</u> | <u>-</u> | <u>-</u> |
| | <u>170 287</u> | <u>1 360 864</u> | <u>1 240 000</u> | <u>1 677 195</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | (1 360 856) | 2 743 874 | 2 070 150 | 3 604 173 |
| Surplus income/(expenditure) | <u>1 386 126</u> | <u>(4 104 730)</u> | <u>(1 479 702)</u> | <u>(1 534 023)</u> |
| Balance as at 31 December ^{u/} | <u>25 270</u> | <u>(1 360 856)</u> | <u>590 448</u> | <u>2 070 150</u> |
| | <u>195 557</u> | <u>8</u> | <u>1 830 448</u> | <u>3 747 345</u> |

^{g/} This amount includes credit adjustments to prior bienniums' expenditure of \$125,000.

^{u/} Consisting of:

| | | | | |
|------------------------------------|------------------|--------------------|----------------|------------------|
| Unspent allocations | 357 638 | 1 376 859 | 178 370 | 1 859 520 |
| Unencumbered funds | - | - | 412 078 | 210 630 |
| Allocations in excess of resources | <u>(332 368)</u> | <u>(2 737 715)</u> | <u>-</u> | <u>-</u> |
| | <u>25 270</u> | <u>(1 360 856)</u> | <u>590 448</u> | <u>2 070 150</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Fund for Emergency Assistance to the People's Republic of Bangladesh | | UNDP Fund for the Programme of Assistance to the Palestinian People | |
|--|--|--------------------|--|------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | - | - | 12 959 426 | 5 130 000 |
| Interest income | 74 213 | 332 441 | 294 131 | 346 847 |
| Miscellaneous income/(expenditure) | - | 2 363 | - | - |
| | <u>74 213</u> | <u>334 804</u> | <u>13 253 557</u> | <u>5 476 847</u> |
| Less: Expenditure | | | | |
| Project costs | 458 000 | 1 728 107 | 4 510 020 | 3 748 542 |
| Programme support costs: | | | | |
| Executing agencies | 22 900 | 86 405 | 266 242 | 197 416 |
| UNDP | 4 580 | 17 281 | 45 100 | 37 485 |
| | <u>485 480</u> | <u>1 831 793</u> | <u>4 821 362</u> | <u>3 983 443</u> |
| Surplus income/(expenditure) | <u>(411 267)</u> | <u>(1 496 989)</u> | <u>8 432 195</u> | <u>1 493 404</u> |
| ASSETS | | | | |
| Government letter of credit | - | - | 3 110 000 | 70 000 |
| Operating funds provided to executing agencies | - | 902 205 | - | - |
| Due from UNDP | <u>1 151 782</u> | <u>1 082 148</u> | <u>9 832 433</u> | <u>3 135 630</u> |
| | <u>1 151 782</u> | <u>1 984 353</u> | <u>12 942 433</u> | <u>3 205 630</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to executing agencies | 972 881 | - | - | - |
| Unliquidated obligations of executing agencies | <u>20 169</u> | <u>1 414 354</u> | <u>1 532 651</u> | <u>228 043</u> |
| | <u>993 050</u> | <u>1 414 354</u> | <u>1 532 651</u> | <u>228 043</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 569 999 | 2 066 988 | 2 977 587 | 1 484 183 |
| Surplus income/(expenditure) | <u>(411 267)</u> | <u>(1 496 989)</u> | <u>8 432 195</u> | <u>1 493 404</u> |
| Balance as at 31 December <u>y/</u> | <u>158 732</u> | <u>569 999</u> | <u>11 409 782</u> | <u>2 977 587</u> |
| | <u>1 151 782</u> | <u>1 984 353</u> | <u>12 942 433</u> | <u>3 205 630</u> |
| y/ Consisting of: | | | | |
| Unspent allocations | 158 732 | 213 082 | 7 589 528 | 2 370 902 |
| Unencumbered funds | - | 356 917 | 3 820 254 | 606 685 |
| | <u>158 732</u> | <u>569 999</u> | <u>11 409 782</u> | <u>2 977 587</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Coordination of International Agricultural Research | | Preparation of an International Research Programme on Tropical Forestry | |
|--|--|-----------------|--|------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments | - | 50 000 | - | - |
| Interest income | <u>347</u> | <u>6 669</u> | <u>1 344</u> | <u>13 448</u> |
| | <u>347</u> | <u>56 669</u> | <u>1 344</u> | <u>13 448</u> |
| Less: Expenditure | | | | |
| Project costs | - | 90 090 | - | 118 269 |
| Programme support costs: Executing agencies | <u>-</u> | <u>9 910</u> | <u>-</u> | <u>4 731</u> |
| | <u>-</u> | <u>100 000</u> | <u>-</u> | <u>123 000</u> |
| Surplus income/(expenditure) | <u>347</u> | <u>(43 331)</u> | <u>1 344</u> | <u>(109 552)</u> |
| ASSETS | | | | |
| Due from UNDP | <u>-</u> | <u>7 644</u> | <u>-</u> | <u>15 703</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | | | | |
| Balance as at 1 January | 7 644 | 50 975 | 15 703 | 125 255 |
| Surplus income/(expenditure) | 347 | (43 331) | 1 344 | (109 552) |
| Transfer of resources <u>y/</u> | <u>(7 991)</u> | <u>-</u> | <u>(17 047)</u> | <u>-</u> |
| Balance as at 31 December <u>x/</u> | <u>-</u> | <u>7 644</u> | <u>-</u> | <u>15 703</u> |
| | <u>-</u> | <u>7 644</u> | <u>-</u> | <u>15 703</u> |

y/ Refunds to donors and transfers of unexpended resources were made on instructions of donors.
These trust funds were closed in 1993.

x/ Consisting of:

Unencumbered funds

| | | | |
|----------|--------------|----------|---------------|
| - | 7 644 | - | 15 703 |
| <u>-</u> | <u>7 644</u> | <u>-</u> | <u>15 703</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund for Social Mobilization for Development | | UNDP Trust Fund for Emergency Humanitarian Assistance to Angola | |
|--|--|-----------------|--|------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | - | - | 336 164 | 1 555 248 |
| Interest income | <u>492</u> | <u>4 283</u> | <u>62 167</u> | <u>38 836</u> |
| | <u>492</u> | <u>4 283</u> | <u>398 331</u> | <u>1 594 084</u> |
| Less: Expenditure | | | | |
| Project costs | 6 000 | 24 435 | 1 828 507 | - |
| Programme support costs: | | | | |
| Executing agencies | 660 | 2 688 | 201 136 | - |
| UNDP | <u>60</u> | <u>687</u> | <u>18 285</u> | <u>-</u> |
| | <u>6 720</u> | <u>27 810</u> | <u>2 047 928</u> | <u>-</u> |
| Surplus income/(expenditure) | <u>(6 228)</u> | <u>(23 527)</u> | <u>(1 649 597)</u> | <u>1 594 084</u> |
| ASSETS | | | | |
| Due from UNDP | <u>1 254</u> | <u>7 482</u> | <u>169 206</u> | <u>1 818 803</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | | | | |
| Balance as at 1 January | 7 482 | 31 009 | 1 818 803 | 224 719 |
| Surplus income/(expenditure) | <u>(6 228)</u> | <u>(23 527)</u> | <u>(1 649 597)</u> | <u>1 594 084</u> |
| | <u>1 254</u> | <u>7 482</u> | <u>169 206</u> | <u>1 818 803</u> |
| Balance as at 31 December <i>y/</i> | <u>1 254</u> | <u>7 482</u> | <u>169 206</u> | <u>1 818 803</u> |
| <i>y/</i> Consisting of: | | | | |
| Unspent allocations | 501 | 7 161 | - | - |
| Unencumbered funds | <u>753</u> | <u>321</u> | <u>169 206</u> | <u>1 818 803</u> |
| | <u>1 254</u> | <u>7 482</u> | <u>169 206</u> | <u>1 818 803</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund for Namibia <u>±/</u> | | UNDP/Norway Trust Fund for the Special Plan of Economic Cooperation for Central America | |
|--|--|-------------------|--|-------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 394 965 | 2 461 188 | - | 396 666 |
| Interest income | 151 085 | 165 400 | 10 026 | 15 585 |
| Miscellaneous income/(expenditure) | (13 327) | 13 327 | - | - |
| | <u>532 723</u> | <u>2 639 915</u> | <u>10 026</u> | <u>412 251</u> |
| Less: Expenditure | | | | |
| Project costs | 1 078 665 | 2 727 931 | 146 663 | 542 143 |
| Programme support costs: | | | | |
| Executing agencies | 25 975 | 90 350 | 16 134 | 59 635 |
| UNDP | 10 786 | 27 280 | 1 467 | 5 421 |
| | <u>1 115 426</u> | <u>2 845 561</u> | <u>164 264</u> | <u>607 199</u> |
| Surplus expenditure | (582 703) | (205 646) | (154 238) | (194 948) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| ASSETS | | | | |
| Operating funds provided to Governments for executing projects | 32 366 | - | - | - |
| Operating funds provided to executing agencies Due from UNDP | 1 111 499 | 1 514 709 | 19 181 | 206 317 |
| | <u>1 143 865</u> | <u>1 528 036</u> | <u>19 181</u> | <u>206 317</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to executing agencies | 198 532 | - | - | - |
| Unliquidated obligations of executing agencies | - | - | 2 870 | 35 768 |
| | <u>198 532</u> | <u>-</u> | <u>2 870</u> | <u>35 768</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 1 528 036 | 1 733 682 | 170 549 | 365 497 |
| Surplus expenditure | (582 703) | (205 646) | (154 238) | (194 948) |
| Balance as at 31 December <u>aa/</u> | <u>945 333</u> | <u>1 528 036</u> | <u>16 311</u> | <u>170 549</u> |
| | <u>1 143 865</u> | <u>1 528 036</u> | <u>19 181</u> | <u>206 317</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

±/ Contributions due from Governments as at 31 December 1993 total \$10,811 (1991: \$11,722).
An analysis of this amount is provided in note 31.

aa/ Consisting of:

| | | | | |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Unspent allocations | 975 404 | 1 149 941 | 25 370 | 182 746 |
| Unencumbered funds | - | 378 095 | - | - |
| Allocations in excess of resources | (30 071) | - | (9 059) | (12 197) |
| | <u>945 333</u> | <u>1 528 036</u> | <u>16 311</u> | <u>170 549</u> |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund for the Regional Project "Cultural Heritage and Development" | | UNDP Trust Fund for Protection of the Ozone Layer | |
|--|---|----------------|---|------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 30 173 | 49 950 | - | - |
| Interest income | <u>9 903</u> | <u>4 812</u> | <u>5 799</u> | <u>17 020</u> |
| | <u>40 076</u> | <u>54 762</u> | <u>5 799</u> | <u>17 020</u> |
| Less: Expenditure | | | | |
| Project costs | 160 847 | - | (4 323) | 259 568 |
| Programme support costs: | | | | |
| Executing agencies | - | - | (2 330) | 28 553 |
| UNDP | <u>1 608</u> | <u>-</u> | <u>(87)</u> | <u>5 192</u> |
| | <u>162 455</u> | <u>-</u> | <u>(6 740)</u> | <u>293 313</u> |
| Surplus income/(expenditure) | <u>(122 379)</u> | <u>54 762</u> | <u>12 539</u> | <u>(276 293)</u> |
| ASSETS | | | | |
| Due from UNDP | <u>33 883</u> | <u>156 262</u> | <u>51 364</u> | <u>143 405</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies | <u>-</u> | <u>-</u> | <u>1 000</u> | <u>105 580</u> |
| | <u>-</u> | <u>-</u> | <u>1 000</u> | <u>105 580</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 156 262 | 101 500 | 37 825 | 314 118 |
| Surplus income/(expenditure) | <u>(122 379)</u> | <u>54 762</u> | <u>12 539</u> | <u>(276 293)</u> |
| Balance as at 31 December <i>bb/</i> | <u>33 883</u> | <u>156 262</u> | <u>50 364</u> | <u>37 825</u> |
| | <u>33 883</u> | <u>156 262</u> | <u>51 364</u> | <u>143 405</u> |

bb/ Consisting of:

| | | | | |
|------------------------------------|-----------------|------------------|---------------|---------------|
| Unspent allocations | 100 000 | 300 000 | 27 112 | 15 267 |
| Unencumbered funds | - | - | 23 252 | 22 558 |
| Allocations in excess of resources | <u>(66 117)</u> | <u>(143 738)</u> | <u>-</u> | <u>-</u> |
| | <u>33 883</u> | <u>156 262</u> | <u>50 364</u> | <u>37 825</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Trust Fund Agreement between UNDP/IMPACT and the Malaysian Organizing Committee for Sportaid '88 | | Global Consultation on Water Supply and Sanitation for the 1990s | |
|--|--|----------------|---|----------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 398 000 | 202 000 | 145 121 | 244 564 |
| Interest income | <u>12 880</u> | <u>7 898</u> | <u>3 218</u> | <u>1 266</u> |
| | <u>410 880</u> | <u>209 898</u> | <u>148 339</u> | <u>245 830</u> |
| Less: Expenditure | | | | |
| Project costs | 50 931 | 65 381 | 116 465 | 198 633 |
| Programme support costs: | | | | |
| Executing agencies | - | - | 24 458 | 9 932 |
| UNDP | <u>516</u> | <u>654</u> | <u>1 165</u> | <u>1 986</u> |
| | <u>51 447</u> | <u>66 035</u> | <u>142 088</u> | <u>210 551</u> |
| Surplus income | <u>359 433</u> | <u>143 863</u> | <u>6 251</u> | <u>35 279</u> |
| ASSETS | | | | |
| Operating funds provided to Governments for executing projects | 20 664 | 8 887 | - | - |
| Due from UNDP | <u>482 632</u> | <u>134 976</u> | <u>90 053</u> | <u>35 279</u> |
| | <u>503 296</u> | <u>143 863</u> | <u>90 053</u> | <u>35 279</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies | - | - | <u>48 523</u> | - |
| Unexpended resources | | | | |
| Balance as at 1 January | 143 863 | - | 35 279 | - |
| Surplus income | <u>359 433</u> | <u>143 863</u> | <u>6 251</u> | <u>35 279</u> |
| Balance as at 31 December <u>cc/</u> | <u>503 296</u> | <u>143 863</u> | <u>41 530</u> | <u>35 279</u> |
| | <u>503 296</u> | <u>143 863</u> | <u>90 053</u> | <u>35 279</u> |
| cc/ Consisting of: | | | | |
| Unspent allocations | 85 687 | 136 619 | 2 832 | 34 013 |
| Unencumbered funds | <u>417 609</u> | <u>7 244</u> | <u>38 698</u> | <u>1 266</u> |
| | <u>503 296</u> | <u>143 863</u> | <u>41 530</u> | <u>35 279</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund for the Republic of Maldives | | UNDP/Switzerland Trust Fund for Namibia | |
|--|---|----------------|--|---------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 40 070 | 524 745 | - | 17 016 |
| Interest income | <u>18 895</u> | <u>-</u> | <u>1 204</u> | <u>-</u> |
| | <u>58 965</u> | <u>524 745</u> | <u>1 204</u> | <u>17 016</u> |
| Less: Expenditure | | | | |
| Project costs | 418 077 | - | - | - |
| Programme support cost: UNDP | <u>4 181</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>422 258</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Surplus income/(expenditure) | <u>(363 293)</u> | <u>524 745</u> | <u>1 204</u> | <u>17 016</u> |
| ASSETS | | | | |
| Due from UNDP | <u>161 452</u> | <u>524 745</u> | <u>18 220</u> | <u>17 016</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | 524 745 | - | 17 016 | - |
| Balance as at 1 January | <u>(363 293)</u> | <u>524 745</u> | <u>1 204</u> | <u>17 106</u> |
| Surplus income/(expenditure) | <u>161 452</u> | <u>524 745</u> | <u>18 220</u> | <u>17 016</u> |
| Balance as at 31 December <u>dd/</u> | <u>161 452</u> | <u>524 745</u> | <u>18 220</u> | <u>17 016</u> |
| dd/ Consisting of: | | | | |
| Unspent allocations | 3 013 | - | 14 332 | - |
| Unencumbered funds | <u>158 439</u> | <u>524 745</u> | <u>3 888</u> | <u>17 016</u> |
| | <u>161 452</u> | <u>524 745</u> | <u>18 220</u> | <u>17 016</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP/JA100 Trust Fund for Sea Island Cotton Pilot Production | | UNDP Trust Fund for the Independent International Commission on Health Research for Developing Countries | |
|--|--|----------------|--|------------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 76 584 | 300 635 | 324 350 | 130 000 |
| Interest income | <u>13 516</u> | <u>-</u> | <u>938</u> | <u>-</u> |
| | <u>90 100</u> | <u>300 635</u> | <u>325 288</u> | <u>130 000</u> |
| Less: Expenditure | | | | |
| Project costs | 157 248 | 139 426 | 296 823 | 91 331 |
| Programme support costs: | | | | |
| Executing agencies | - | - | 30 823 | 11 873 |
| UNDP | <u>1 573</u> | <u>1 394</u> | <u>7 763</u> | <u>-</u> |
| | <u>158 821</u> | <u>140 820</u> | <u>335 409</u> | <u>103 204</u> |
| Surplus income/(expenditure) | <u>(68 721)</u> | <u>159 815</u> | <u>(10 121)</u> | <u>26 796</u> |
| ASSETS | | | | |
| Due from UNDP | <u>91 094</u> | <u>159 815</u> | <u>16 675</u> | <u>26 796</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | | | | |
| Balance as at 1 January | 159 815 | - | 26 796 | - |
| Surplus income/(expenditure) | <u>(68 721)</u> | <u>159 815</u> | <u>(10 121)</u> | <u>26 796</u> |
| Balance as at 31 December <u>ee/</u> | <u>91 094</u> | <u>159 815</u> | <u>16 675</u> | <u>26 796</u> |
| | <u>91 094</u> | <u>159 815</u> | <u>16 675</u> | <u>26 796</u> |
| ee/ Consisting of: | | | | |
| Unspent allocations | 77 578 | 159 815 | 1 403 670 | 190 596 |
| Unencumbered funds | 13 516 | - | - | - |
| Allocations in excess of resources | <u>-</u> | <u>-</u> | <u>(1 386 995)</u> | <u>(163 800)</u> |
| | <u>91 094</u> | <u>159 815</u> | <u>16 675</u> | <u>26 796</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Trust Fund for the Interim Multilateral Fund under the Montreal Protocol | | World Maritime University Trust Fund | |
|--|---|------------------|--|---------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 25 338 528 | 1 261 800 | 153 558 | 39 664 |
| Interest income | 202 851 | - | 1 466 | - |
| Miscellaneous income/(expenditure) | (1 804) | - | - | - |
| | <u>25 539 575</u> | <u>1 261 800</u> | <u>155 024</u> | <u>39 664</u> |
| Less: Expenditure | | | | |
| Project costs | 7 357 966 | 350 309 | - | - |
| Programme support costs: | | | | |
| Executing agencies | 458 359 | 38 534 | - | - |
| Administrative costs | 93 763 | - | - | - |
| | <u>7 910 088</u> | <u>388 843</u> | <u>-</u> | <u>-</u> |
| Surplus income | <u>17 629 487</u> | <u>872 957</u> | <u>155 024</u> | <u>39 664</u> |
| ASSETS | | | | |
| Operating funds provided to Governments for executing projects | 106 396 | - | - | - |
| Due from UNDP | <u>21 477 452</u> | <u>934 080</u> | <u>194 688</u> | <u>39 664</u> |
| | <u>21 583 848</u> | <u>934 080</u> | <u>194 688</u> | <u>39 664</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to Governments for executing projects | 4 466 | - | - | - |
| Unliquidated obligations of executing agencies | <u>3 076 938</u> | <u>61 123</u> | <u>-</u> | <u>-</u> |
| | <u>3 081 404</u> | <u>61 123</u> | <u>-</u> | <u>-</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 872 957 | - | 39 664 | - |
| Surplus income | <u>17 629 487</u> | <u>872 957</u> | <u>155 024</u> | <u>39 664</u> |
| Balance as at 31 December <u>ff/</u> | <u>18 502 444</u> | <u>872 957</u> | <u>194 688</u> | <u>39 664</u> |
| | <u>21 583 848</u> | <u>934 080</u> | <u>194 688</u> | <u>39 664</u> |
| ff/ Consisting of: | | | | |
| Unspent allocations | 7 264 138 | 371 507 | 75 000 | - |
| Unencumbered funds | <u>11 238 306</u> | <u>501 450</u> | <u>119 688</u> | <u>39 664</u> |
| | <u>18 502 444</u> | <u>872 957</u> | <u>194 688</u> | <u>39 664</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Disaster Management Training Programme 99/ | | Government of Germany Trust Fund for UNDP/World Bank Energy Sector Management Assistance Programme | |
|--|--|----------------|--|----------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | - | 715 765 | 230 030 | 422 060 |
| Interest income | <u>26 069</u> | <u>-</u> | <u>8 389</u> | <u>-</u> |
| | <u>26 069</u> | <u>715 765</u> | <u>238 419</u> | <u>422 060</u> |
| Less: Expenditure | | | | |
| Project costs | 586 070 | - | 487 850 | - |
| Programme support costs: | | | | |
| Executing agencies | 109 758 | - | 50 705 | - |
| UNDP | <u>11 721</u> | <u>-</u> | <u>9 757</u> | <u>-</u> |
| | <u>707 549</u> | <u>-</u> | <u>548 312</u> | <u>-</u> |
| Surplus income/(expenditure) | <u>(681 480)</u> | <u>715 765</u> | <u>(309 893)</u> | <u>422 060</u> |
| ASSETS | | | | |
| Operating funds provided to executing agencies | - | - | 21 445 | - |
| Due from UNDP | <u>86 925</u> | <u>715 765</u> | <u>90 722</u> | <u>422 060</u> |
| | <u>86 925</u> | <u>715 765</u> | <u>112 167</u> | <u>422 060</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies | <u>52 640</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 715 765 | - | 422 060 | - |
| Surplus income/(expenditure) | <u>(681 480)</u> | <u>715 765</u> | <u>(309 893)</u> | <u>422 060</u> |
| Balance as at 31 December <u>hh/</u> | <u>34 285</u> | <u>715 765</u> | <u>112 167</u> | <u>422 060</u> |
| | <u>86 925</u> | <u>715 765</u> | <u>112 167</u> | <u>422 060</u> |

99/ Contributions due from Governments as at 31 December 1993 total \$43,767 (1991: \$46,776).
An analysis of this amount is provided in note 31.

hh/ Consisting of:

| | | | | |
|------------------------------------|------------------|----------------|----------------|----------------|
| Unspent allocations | 590 003 | - | 101 995 | - |
| Unencumbered funds | - | 715 765 | 10 172 | 422 060 |
| Allocations in excess of resources | <u>(555 718)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>34 285</u> | <u>715 765</u> | <u>112 167</u> | <u>422 060</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Elaboration of Methods and Techniques of Operationalizing the Human Development Concept <i>ii/</i> | | Family Health International Trust Fund <i>ii/</i> | |
|--|---|----------------|---|-----------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | - | 293 028 | 50 000 | - |
| Interest income | 9 414 | - | 1 485 | - |
| | <u>9 414</u> | <u>293 028</u> | <u>51 485</u> | <u>-</u> |
| Less: Expenditure | | | | |
| Project costs | 300 338 | - | 45 045 | - |
| Programme support costs: | | | | |
| Executing agencies | 33 037 | - | 4 955 | - |
| UNDP | 3 004 | - | 450 | - |
| | <u>336 379</u> | <u>-</u> | <u>50 450</u> | <u>-</u> |
| Surplus income/(expenditure) | <u>(326 965)</u> | <u>293 028</u> | <u>1 035</u> | <u>-</u> |
| ASSETS | | | | |
| Due from UNDP | <u>60 008</u> | <u>293 028</u> | <u>1 035</u> | <u>-</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies | <u>93 945</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 293 028 | - | - | - |
| Surplus income/(expenditure) | <u>(326 965)</u> | <u>293 028</u> | <u>1 035</u> | <u>-</u> |
| Balance as at 31 December <i>kk/</i> | <u>(33 937)</u> | <u>293 028</u> | <u>1 035</u> | <u>-</u> |
| | <u>60 008</u> | <u>293 028</u> | <u>1 035</u> | <u>-</u> |

ii/ Contributions due from Governments as at 31 December 1993 total \$17,635 (1991: \$18,847).
An analysis of this amount is provided in note 31.

ii/ This trust fund started its operations in 1992.

kk/ Consisting of:

| | | | | |
|------------------------------------|-----------------|----------------|--------------|----------|
| Unencumbered funds | - | 293 028 | 1 035 | - |
| Expenditure in excess of resources | <u>(33 937)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>(33 937)</u> | <u>293 028</u> | <u>1 035</u> | <u>-</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Rehabilitation Assistance to Anhui Province following Flood Disaster <u>LL/</u> | | Trust Fund for the FMLN Relocation Points in El Salvador <u>LL/</u> | |
|--|---|-----------|---|-----------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 1 697 497 | - | 5 909 424 | - |
| Interest income | 6 546 | - | 6 468 | - |
| Miscellaneous income/(expenditure) | - | - | (21 877) | - |
| | <u>1 704 043</u> | <u>-</u> | <u>5 894 015</u> | <u>-</u> |
| Less: Expenditure | | | | |
| Project costs | 1 697 497 | - | 5 131 299 | - |
| Programme support costs: UNDP | - | - | 51 313 | - |
| | <u>1 697 497</u> | <u>-</u> | <u>5 182 612</u> | <u>-</u> |
| Surplus income | <u>6 546</u> | <u>-</u> | <u>711 403</u> | <u>-</u> |
| ASSETS | | | | |
| Operating funds provided to executing agencies | - | - | 500 000 | - |
| Due from UNDP | <u>6 546</u> | <u>-</u> | <u>265 024</u> | <u>-</u> |
| | <u>6 546</u> | <u>-</u> | <u>765 024</u> | <u>-</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to Governments for executing projects | - | - | 53 621 | - |
| Unexpended resources | | | | |
| Balance as at 1 January | - | - | - | - |
| Surplus income | <u>6 546</u> | <u>-</u> | <u>711 403</u> | <u>-</u> |
| Balance as at 31 December <u>mm/</u> | <u>6 546</u> | <u>-</u> | <u>711 403</u> | <u>-</u> |
| | <u>6 546</u> | <u>-</u> | <u>765 024</u> | <u>-</u> |

LL/ This trust fund started its operations in 1992.

mm/ Consisting of:

| | | | | |
|------------------------------------|--------------|----------|----------------|----------|
| Unspent allocations | - | - | 1 283 017 | - |
| Unencumbered funds | 6 546 | - | - | - |
| Allocations in excess of resources | - | - | (571 616) | - |
| | <u>6 546</u> | <u>-</u> | <u>711 403</u> | <u>-</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Trust Fund to Mainstream Human Development into Operational Activities <u>nn/</u> | | International Development Research Centre Trust Fund for Information Management Training Series <u>nn/ oo/</u> | |
|--|---|-----------|--|-----------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 1 948 387 | - | 164 458 | - |
| Interest income | 10 299 | - | - | - |
| | <u>1 958 686</u> | <u>-</u> | <u>164 458</u> | <u>-</u> |
| Less: Expenditure | | | | |
| Project costs | 457 954 | - | 155 397 | - |
| Programme support costs: | | | | |
| Executing agencies | 50 375 | - | 17 093 | - |
| UNDP | 4 580 | - | 3 108 | - |
| | <u>512 909</u> | <u>-</u> | <u>175 598</u> | <u>-</u> |
| Surplus income/(expenditure) | <u>1 445 777</u> | <u>-</u> | <u>(11 140)</u> | <u>-</u> |
| ASSETS | | | | |
| Due from UNDP | <u>1 562 812</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies | 117 035 | - | - | - |
| Due to UNDP | <u>-</u> | <u>-</u> | <u>11 140</u> | <u>-</u> |
| | <u>117 035</u> | <u>-</u> | <u>11 140</u> | <u>-</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | - | - | - | - |
| Surplus income/(expenditure) | <u>1 445 777</u> | <u>-</u> | <u>(11 140)</u> | <u>-</u> |
| Balance as at 31 December <u>pp/</u> | <u>1 445 777</u> | <u>-</u> | <u>(11 140)</u> | <u>-</u> |
| | <u>1 562 812</u> | <u>-</u> | <u>-</u> | <u>-</u> |

nn/ This trust fund started its operations in 1992.

oo/ Contributions due from Governments as at 31 December 1993 total \$11,696.
An analysis of this amount is provided in note 31.

pp/ Consisting of:

| | | | | |
|------------------------------------|------------------|----------|-----------------|----------|
| Unspent allocations | 451 569 | - | 17 692 | - |
| Unencumbered funds | 994 208 | - | - | - |
| Allocations in excess of resources | - | - | (17 692) | - |
| Expenditure in excess of resources | <u>-</u> | <u>-</u> | <u>(11 140)</u> | <u>-</u> |
| | <u>1 445 777</u> | <u>-</u> | <u>(11 140)</u> | <u>-</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | UNDP Trust Fund for the Mozambique Demobilization Programme <u>qq/</u> | | UNDP Trust Fund for the Baltic Republics <u>rr/</u> | |
|--|--|-----------|---|-----------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | <u>7 153 457</u> | <u>-</u> | <u>584 961</u> | <u>-</u> |
| Less: Expenditure | | | | |
| Project costs | <u>1 522 095</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Programme support costs: UNDP | <u>66 000</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>1 588 095</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Surplus income | <u>5 565 362</u> | <u>-</u> | <u>584 961</u> | <u>-</u> |
| ASSETS | | | | |
| Due from UNDP | <u>5 565 362</u> | <u>-</u> | <u>584 961</u> | <u>-</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | | | | |
| Balance as at 1 January | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Surplus income | <u>5 565 362</u> | <u>-</u> | <u>584 961</u> | <u>-</u> |
| Balance as at 31 December <u>ss/</u> | <u>5 565 362</u> | <u>-</u> | <u>584 961</u> | <u>-</u> |
| | <u>5 565 362</u> | <u>-</u> | <u>584 961</u> | <u>-</u> |

qq/ This trust fund started its operations in 1992.

rr/ This trust fund started its operations in 1993.

ss/ Consisting of:

| | | | | |
|---------------------|------------------|----------|----------------|----------|
| Unspent allocations | <u>677 905</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Unencumbered funds | <u>4 887 457</u> | <u>-</u> | <u>584 961</u> | <u>-</u> |
| | <u>5 565 362</u> | <u>-</u> | <u>584 961</u> | <u>-</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Trust Fund for Democratization Support and the Electoral Process in Guinea-Bissau <u>tt/</u> <u>uu/</u> | | Trust Fund in Support of Peace-building Activities in El Salvador <u>tt/</u> | |
|--|---|-----------|---|-----------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 40 074 | - | 4 542 759 | - |
| Less: Expenditure | 19 103 | - | 454 415 | - |
| Project costs | | | | |
| Programme support costs: | 1 809 | - | - | - |
| Executing agencies | 191 | - | 4 544 | - |
| UNDP | | | | |
| | 21 103 | - | 458 959 | - |
| Surplus income | 18 971 | - | 4 083 800 | - |
| ASSETS | | | | |
| Operating funds provided to Governments for executing projects | - | - | 511 | - |
| Due from UNDP | 39 883 | - | 4 083 289 | - |
| | 39 883 | - | 4 083 800 | - |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Operating funds payable to executing agencies | 7 189 | - | - | - |
| Unliquidated obligations of executing agencies | 13 723 | - | - | - |
| | 20 912 | - | - | - |
| Unexpended resources | - | - | - | - |
| Balance as at 1 January | 18 971 | - | 4 083 800 | - |
| Surplus income | | | | |
| | 18 971 | - | 4 083 800 | - |
| Balance as at 31 December <u>vv/</u> | | | | |
| | 39 883 | - | 4 083 800 | - |

tt/ This trust fund started its operations in 1993.

uu/ Contributions due from Governments as at 31 December 1993 total \$38,462.
An analysis of this amount is provided in note 31.

vv/ Consisting of:

| | | | | |
|------------------------------------|---------------------|---|-----------|---|
| Unspent allocations | 61 386 | - | 2 292 115 | - |
| Unencumbered funds | - | - | 1 791 685 | - |
| Allocations in excess of resources | (42 415) <u>ww/</u> | - | - | - |
| | 18 971 | - | 4 083 800 | - |

ww/ Allocations in excess of resources were issued on the basis of contributions receivable.

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (continued)

| | Trust Fund for UNDP History Project <u>XX/</u> <u>YY/</u> | | UNDP/Denmark Trust Fund for Electoral Assistance Project in Burundi <u>XX/</u> | |
|--|---|-----------|--|-----------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 45 977 | - | 150 000 | - |
| Less: Expenditure | - | - | - | - |
| Surplus income | <u>45 977</u> | <u>-</u> | <u>150 000</u> | <u>-</u> |
| ASSETS | | | | |
| Due from UNDP | <u>45 977</u> | <u>-</u> | <u>150 000</u> | <u>-</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | | | | |
| Balance as at 1 January | - | - | - | - |
| Surplus income | <u>45 977</u> | <u>-</u> | <u>150 000</u> | <u>-</u> |
| Balance as at 31 December <u>ZZ/</u> | <u>45 977</u> | <u>-</u> | <u>150 000</u> | <u>-</u> |
| | <u>45 977</u> | <u>-</u> | <u>150 000</u> | <u>-</u> |
| Unencumbered funds | | | | |
| | <u>45 977</u> | <u>-</u> | <u>150 000</u> | <u>-</u> |

XX/ This trust fund started its operations in 1993.

YY/ Contributions due from Governments as at 31 December 1993 total \$26,042.
An analysis of this amount is provided in note 31.

ZZ/ Consisting of:

The accompanying notes are an integral part of the financial statements.

STATEMENT XXV (concluded)

| | UNDP/Norway Trust Fund for Assistance to the Electoral Process in Mozambique <u>aaa/</u> | | UNDP Trust Fund for Capacity Building in De-mining Operations for Cambodia <u>aaa/</u> | |
|--|--|-----------|---|-----------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | 676 361 | - | 2 432 783 | - |
| Less: Expenditure | - | - | - | - |
| Surplus income | 676 361 | - | 2 432 783 | - |
| ASSETS | | | | |
| Due from UNDP | 676 361 | - | 2 432 783 | - |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unexpended resources | - | - | - | - |
| Balance as at 1 January | - | - | - | - |
| Surplus income | 676 361 | - | 2 432 783 | - |
| Balance as at 31 December <u>bbb/</u> | 676 361 | - | 2 432 783 | - |
| | 676 361 | - | 2 432 783 | - |

aaa/ This trust fund started its operations in 1993.

bbb/ Consisting of:

| | | | | |
|--------------------|---------|---|-----------|---|
| Unencumbered funds | 676 361 | - | 2 432 783 | - |
|--------------------|---------|---|-----------|---|

The accompanying notes are an integral part of the financial statements.

STATEMENT XXVI
UNDP: TRUST FUNDS ADMINISTERED BY UNDP
Other trust funds administered by UNDP

Status of funds for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| | United Nations Trust Fund for Operational Programme in Lesotho a/ | | UNDP Development Study Programme | |
|---|---|----------------|-------------------------------------|----------------|
| | 1992-1993 | 1990-1991 | 1992-1993 | 1990-1991 |
| INCOME AND EXPENDITURE | | | | |
| Voluntary contributions from Governments and other contributors | - | - | 278 297 | 240 000 |
| Interest income | 23 427 | 21 906 | 12 336 | 69 659 |
| Miscellaneous income/(expenditure) | <u>12 071</u> | <u>22 439</u> | <u>(23)</u> | <u>-</u> |
| | <u>35 498</u> | <u>44 345</u> | <u>290 610</u> | <u>309 659</u> |
| Less: Expenditure | | | | |
| Project costs | - | 2 022 | 394 422 | 283 401 |
| Programme support costs: Executing agencies | <u>-</u> | <u>263</u> | <u>-</u> | <u>-</u> |
| | <u>-</u> | <u>2 285</u> | <u>394 422</u> | <u>283 401</u> |
| Surplus income/(expenditure) | <u>35 498</u> | <u>42 060</u> | <u>(103 812)</u> | <u>26 258</u> |
| ASSETS | | | | |
| Investments (schedule 10) | - | 54 717 | - | - |
| Operating funds provided to executing agencies | 8 739 | 179 055 | - | - |
| Non-convertible currencies pending United States dollar credit from UNDP | - | - | 50 000 | 50 000 |
| Due from UNDP | <u>472 021</u> | <u>213 147</u> | <u>320 269</u> | <u>424 601</u> |
| | <u>480 760</u> | <u>446 919</u> | <u>370 269</u> | <u>474 601</u> |
| LIABILITIES AND UNEXPENDED RESOURCES | | | | |
| Unliquidated obligations of executing agencies | <u>-</u> | <u>1 657</u> | <u>3 200</u> | <u>3 720</u> |
| Unexpended resources | | | | |
| Balance as at 1 January | 445 262 | 403 202 | 470 881 | 444 623 |
| Surplus income/(expenditure) | <u>35 498</u> | <u>42 060</u> | <u>(103 812)</u> | <u>26 258</u> |
| Balance as at 31 December b/ | <u>480 760</u> | <u>445 262</u> | <u>367 069</u> | <u>470 881</u> |
| | <u>480 760</u> | <u>446 919</u> | <u>370 269</u> | <u>474 601</u> |

a/ Contributions due from Governments as at 31 December 1993 total \$118,343 (1991: \$169,492).
An analysis of this amount is provided in note 31.

b/ Consisting of:

| | | | | |
|---------------------|----------------|----------------|----------------|----------------|
| Unspent allocations | 5 383 | - | 366 977 | 247 839 |
| Unencumbered funds | <u>475 377</u> | <u>445 262</u> | <u>92</u> | <u>223 042</u> |
| | <u>480 760</u> | <u>445 262</u> | <u>367 069</u> | <u>470 881</u> |

The accompanying notes are an integral part of the financial statements.

STATEMENT XXVII

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Statement of income and expenditure of sub-trust funds established by the Administrator

Status of funds for the biennium ended 31 December 1993

(United States dollars)

| Trust Fund | Balance at 1 January 1992 | Income | | Expenditure | | Resources transferred ^{2/} | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|---|------------------------------|---------------------------|--------------------|------------------|----------------------------|--|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds ^{2/} | | | |
| 1. UNITED NATIONS CAPITAL DEVELOPMENT FUND | | | | | | | | | |
| Donor: Belgium | | | | | | | | | |
| Irrigated Agriculture in Farfar Plain | 352 109 | - | 37 366 | 102 383 | 5 300 | - | 281 872 | - | - |
| Donor: Belgium | | | | | | | | | |
| Trust Fund for Belgian Experts | 13 374 | - | - | 13 374 | - | - | - | - | - |
| Donor: Germany | | | | | | | | | |
| Development of Rice Farming Potential in Benue Valley | - | 124 224 | - | 251 149 | 7 008 | - | (133 933) | - | 2 514 620 |
| Donor: Italy | | | | | | | | | |
| Rehabilitation of Rural Water Reservoirs | 3 918 | - | 358 | 4 276 | - | - | - | - | - |
| Donor: Norway | | | | | | | | | |
| Production of School Furniture | 63 160 | - | 7 265 | 28 299 | 1 065 | - | 41 061 | 5 730 | - |
| Donor: Norway | | | | | | | | | |
| Environmental Management Guidelines | - | 120 000 | 1 681 | 120 000 | - | - | 1 681 | - | - |
| Donor: Switzerland | | | | | | | | | |
| Suspension Bridges (Phase II) | 107 536 | 335 000 | 9 778 | 6 828 | - | - | 445 486 | 27 999 | - |
| Donor: Switzerland | | | | | | | | | |
| Suspension Bridges (Phase III) | 513 500 | - | 58 943 | 160 090 | 568 | - | 411 785 | 1 360 515 | 728 270 |
| Donor: The Netherlands | | | | | | | | | |
| Grassland Deep Tubewell Irrigation Project | - | 3 846 150 | 11 016 | 3 689 415 | 165 723 | - | 2 028 | 3 836 863 | 3 685 901 |
| | 1 053 677 | 4 425 374 | 126 407 | 4 375 814 | 179 644 | - | 1 049 980 | 5 231 107 | 6 928 791 |
| | | | | | | | (statement V) | | |

STATEMENT XXVII (continued)

| Trust Fund | Balance as at 1 January 1992 | Income | | Expenditure | | | Resources transferred #/ | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|--|---------------------------------|---------------------------|--------------------|------------------|----------------------------|--------------------------|-----------------------------|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds #/ | | | | |
| 2. UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION | | | | | | | | | | |
| Donor: Japan | | | | | | | | | | |
| Mineral Exploration in SAOCC Region | 50 005 | | 4 558 | | | | | 54 563 | 50 005 | |
| Donor: Norway | | | | | | | | | | |
| UNEP/WHO Environmental Protection Guidelines | 17 028 | | 3 799 | 7 293 | | | | 13 534 | 9 735 | |
| | 67 033 | | 8 357 | 7 293 | | | | 68 097 | 59 740 | |
| | | | | | | | | (statement VI) | | |
| 3. UNITED NATIONS TRUST FUND FOR SUDANO-SAHELIAN ACTIVITIES | | | | | | | | | | |
| Donor: Denmark | | | | | | | | | | |
| Wind Energy Utilization for Electrification | 471 768 | | | | | | (471 768) | | | |
| Donor: Italy | | | | | | | | | | |
| Construction, Improvement and Maintenance of Secondary Roads - Brigade II in Niger | 16 765 | | 1 474 | | | | | 18 239 | | |
| Donor: Italy | | | | | | | | | | |
| Construction, Improvement and Maintenance of Secondary Roads - Brigade II in Senegal | 149 828 | | 13 307 | | | | | 163 135 | | |
| Donor: Italy | | | | | | | | | | |
| Strengthening of the "Development of Agricultural Statistics" Project to include Livestock Activities | 525 | | 33 | | | | | 558 | | |
| Donor: Sweden | | | | | | | | | | |
| Management of Grazing Resources around Permanent Water Supplies | 108 052 | | 9 565 | | | | | | | (117 617) |

STATEMENT XVIII (continued)

| Trust fund | Balance as at 1 January 1992 | Income | | Expenditure | | Resources transferred # | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|--|---------------------------------|---------------------------|--------------------|------------------|----------------------------|----------------------------|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds # | | | |
| Donor: Sweden | | | | | | | | | |
| Creation of Family Wood Lots in the Region of Koudougou | 19 293 | - | 1 725 | - | - | (21 018) | - | - | - |
| Donor: Sweden | | | | | | | | | |
| Creation of Family Wood Lots in the Provinces of Boukitemba and Sanghaie | 25 734 | - | 5 402 | - | - | 21 213 | 9 923 | - | - |
| Donor: Sweden | | | | | | | | | |
| Promotion and Production of Improved Cooking Stoves (Phase II) | 518 168 | - | 45 445 | - | - | 115 893 | 447 720 | - | - |
| Donor: Sweden | | | | | | | | | |
| Improvement of Cooking Stoves in the Sahel | 5 194 | - | 454 | - | - | (5 648) | - | - | - |
| Donor: Sweden | | | | | | | | | |
| Reforestation in South-east Niger | 63 559 | - | 4 600 | - | - | (68 159) | - | - | - |
| Donor: Sweden | | | | | | | | | |
| Pilot Project in Agro-forestry Development in Dosso | 287 304 | - | 26 920 | - | - | 89 016 | 225 208 | - | - |
| Donor: Sweden | | | | | | | | | |
| Integrated Village Afforestation in Louga and Bahr-el-Senegal | 271 120 | - | 16 744 | - | - | (287 864) | - | - | - |
| Donor: Sweden | | | | | | | | | |
| Support to the Construction and Diffusion of Improved Wood Stoves | 44 288 | 788 100 | - | 977 250 | 48 863 | (193 653) | (72) | - | 75 259 |
| Donor: Sweden | | | | | | | | | |
| Village and Family Woodlots in the Province of Sanghaie and Boukitemba, Burkina Faso | 3 437 | 1 772 686 | - | 2 070 660 | 103 533 | (258 599) | (139 551) | 1 175 644 | 1 460 773 |
| Donor: Sweden | | | | | | | | | |
| Integrated Afforestation Project in the Louga, Bahr-el-Senegal Regions of Senegal | (465 346) | 1 913 520 | - | 1 480 532 | 97 996 | (231 993) | 101 639 | 1 448 338 | 1 275 465 |

STATEMENT XIVII (continued)

| Trust Fund | Balance as at 1 January 1992 | Income | | Expenditure | | | Resources transferred # | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|---|---------------------------------|---------------------------|--------------------|------------------|----------------------------|-------------------------|----------------------------|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds # | | | | |
| Donor: Sweden | | | | | | | | | | |
| Land-use Management and Agro- Forestry Development in Dosso Niger | 137 887 | 965 020 | 806 | 1 039 865 | 68 174 | (215) | - | (4 111) | 1 956 518 | 207 125 |
| Donor: Sweden | | | | | | | | | | |
| Natural Resource Management (Preparatory Phase); Camero and Kenedougou Provinces, Burkina Faso | 61 215 | 7 481 | 2 525 | 541 | 70 | 2 525 | - | 68 085 | - | 37 174 |
| | <u>1 718 791</u> | <u>5 446 727</u> | <u>129 000</u> | <u>5 568 848</u> | <u>318 636</u> | <u>(455 813)</u> | <u>(972 074)</u> | <u>890 773</u> | <u>4 580 500</u> | <u>3 056 996</u> |
| | | | | | | | | (statement VII) | | |
| 4. UNITED NATIONS VOLUNTEERS PROGRAMME | | | | | | | | | | |
| Donor: Canada | | | | | | | | | | |
| Canada/Libarian Emergency Relief Trust Fund | - | 42 546 | - | 39 949 | 2 597 | - | - | - | - | - |
| Donor: Canada | | | | | | | | | | |
| UNW Specialists to Support UNHCR Humanitarian Assistance Activities | - | 38 868 | - | - | - | - | - | 38 868 | 38 868 | - |
| Donor: France | | | | | | | | | | |
| Government of France Support for the Development of Volunteerism | 1 169 686 | - | 92 456 | 455 119 | 15 575 | - | - | 791 448 | 623 017 | - |
| Donor: Germany | | | | | | | | | | |
| Africa Domestic Development Services Programme | 1 393 331 | 1 745 447 | 64 461 | 2 060 609 | 266 906 | - | - | 875 724 | 752 772 | - |
| Donor: Japan | | | | | | | | | | |
| Multi-Sectoral Specialist Support in the South Pacific | 214 045 | - | 27 751 | 125 050 | 5 002 | - | - | 111 744 | 9 777 | - |
| Donor: Japan | | | | | | | | | | |
| Contribution from Japan for UNW Assistance to UNHCR Refugee Programme in Hong Kong | 10 305 | - | - | 9 909 | 396 | - | - | - | - | - |

STATEMENT XXVII (continued)

| Trust Fund | Balance as at 1 January 1992 | Income | | Expenditure | | | Resources transferred #/ | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|--|---------------------------------|---------------------------|--------------------|------------------|----------------------------|--------------------------|-----------------------------|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds #/ | | | | |
| Donor: Japan | | | | | | | | | | |
| Contribution from Japan to UNW Consultative Meeting in Tokyo | 634 | - | 83 | 717 | - | - | - | - | - | - |
| Donor: Japan | | | | | | | | | | |
| UNW Technical Support to the Regional Humanitarian Plan of Action relating to the Crisis between Iraq/Kuwait | - | - | 10 746 | 10 746 | - | - | - | - | - | - |
| Donor: Japan | | | | | | | | | | |
| UNW Technical Support to Refugee Relief and Humanitarian Assistance in South-East Asia | 417 096 | - | 31 005 | 368 195 | 14 728 | - | - | 65 258 | 34 173 | - |
| Donor: Japan | | | | | | | | | | |
| UNW Technical Support to the Regional Humanitarian Assistance relating to the Crisis originating in Iraq/Kuwait | 133 553 | - | 6 811 | 134 965 | 5 399 | - | - | - | - | - |
| Donor: Japan | | | | | | | | | | |
| UNW Multi-sectoral Technical Support for Development and Humanitarian Assistance | 200 000 | - | 10 746 | 112 567 | 4 607 | - | - | 93 572 | 82 826 | - |
| Donor: Japan | | | | | | | | | | |
| UNW Multisectoral Technical Support for Development and Humanitarian Assistance (Phase II) | - | 200 000 | 6 678 | 124 616 | 8 100 | - | - | 73 962 | 67 204 | - |
| Donor: Japan | | | | | | | | | | |
| UNW Multi-sectoral Technical Support for Development and Humanitarian Assistance (Phase III) | - | 200 000 | - | - | - | - | - | 200 000 | 200 000 | - |
| Donor: Japan | | | | | | | | | | |
| Technical Support to UNHCR and other UN Agencies in Humanitarian Assistance for Cambodia | - | 250 000 | 4 100 | 129 408 | 8 412 | - | - | 116 360 | 112 180 | - |

STATEMENT XVII (continued)

| Trust Fund | Balance as at 1 January 1992 | Income | | Expenditure | | | Balance as at 31 December 1993 | unspent allocations | Contributions pledged by Governments for the current and prior years |
|--|---------------------------------|---------------------------|--------------------|------------------|----------------------------|-------------------------|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds # | | | |
| Donor: Japan | | | | | | | | | |
| UNW Technical Support to Relief and Humanitarian Assistance to South East Asia and other areas - Phase I | - | 556 174 | 11 759 | 459 647 | 29 611 | - | 78 675 | 66 916 | - |
| Donor: Japan | | | | | | | | | |
| UNW Preparatory Assistance to UNTAC for elections in Cambodia | - | 200 000 | 7 088 | 66 348 | 4 236 | - | 136 504 | 129 416 | - |
| Donor: Japan | | | | | | | | | |
| UN 100-Day Action Programme for Accelerated Humanitarian Assistance for Somalia | - | 1 900 000 | 1 432 | 564 758 | 36 709 | - | 1 299 965 | 1 298 533 | - |
| Donor: Japan | | | | | | | | | |
| UNW Technical Support to Relief and Humanitarian Assistance in South-East Asia and other areas - Phase II | - | 600 000 | 1 333 | 247 046 | 15 851 | - | 338 436 | 337 103 | - |
| Donor: Japan | | | | | | | | | |
| Assistance to Development of Basic Education in Northwestern Provinces, Cambodia | - | 250 000 | - | 8 460 | 464 | - | 241 076 | 241 076 | - |
| Donor: Norway | | | | | | | | | |
| Somalia Appeal | - | 150 000 | - | 6 071 | 395 | - | 143 534 | 143 534 | - |
| Donor: Republic of Korea | | | | | | | | | |
| Republic of Korea Trust Fund for UNW and Training | 518 466 | - | 16 125 | 193 098 | 12 329 | - | 329 164 | 150 026 | - |
| Donor: Sweden | | | | | | | | | |
| Humanitarian Assistance in the Gulf Region | 249 561 | 126 103 | 8 891 | 313 923 | 37 670 | - | 32 962 | 24 071 | - |
| Donor: Sweden | | | | | | | | | |
| UNW Specialists for Humanitarian Relief in the Horn of Africa | - | 174 216 | 1 582 | 99 556 | 6 853 | - | 70 189 | 68 607 | - |

STATEMENT XXVII (continued)

| Trust Fund | Balance as at 1 January 1992 | Income | | Expenditure | | Resources transferred #/ | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|---|---------------------------------|---------------------------|--------------------|------------------|----------------------------|-----------------------------|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds #/ | | | |
| Donor: Sweden | | | | | | | | | |
| UNW Support to UNHCR Programmes in the Latin America Region | | 209 997 | | 197 180 | 12 817 | | | | |
| Donor: Sweden | | | | | | | | | |
| Programme Drought Emergency Southern Africa (DESA) | | 189 743 | 2 026 | 70 199 | 4 502 | | 117 068 | 115 042 | |
| Donor: Switzerland | | | | | | | | | |
| Domestic Development Services (DOS) Regional Programme in Asia | | 180 000 | 1 077 | 69 053 | 12 058 | | 99 966 | 98 889 | |
| Donor: The Netherlands | | | | | | | | | |
| Netherlands Facility for UNW Support from Central Europe to Developing Countries | 405 187 | 1 146 032 | 18 607 | 641 821 | 41 719 | | 886 286 | 867 678 | |
| Donor: The Netherlands | | | | | | | | | |
| Netherlands Support for UNW Domestic Development Services | 60 652 | 304 001 | 3 099 | 186 004 | 12 342 | | 169 406 | 166 307 | |
| Donor: The Netherlands | | | | | | | | | |
| Inter-Agency Humanitarian Programme for Iraq/Kuwait | | 247 022 | 2 579 | 70 745 | 4 598 | | 174 258 | 171 679 | |
| Donor: The Netherlands | | | | | | | | | |
| Deployment of UNW Specialists to support UN Humanitarian Assistance Activities in Somalia | | 563 047 | | 176 665 | 11 483 | | 374 899 | 374 899 | |
| Donor: The Netherlands | | | | | | | | | |
| West-East South Programme Lecturers at the Eduardo Madruga University | | 316 463 | | 219 497 | 14 267 | | 82 699 | 82 699 | |
| Donor: The Netherlands | | | | | | | | | |
| Special Emergency Programme for the Horn of Africa (SEHNA) Appeal - 1993 | | 259 000 | | 17 432 | 1 133 | | 240 523 | 240 523 | |

STATEMENT XXVII (continued)

| Trust Fund | Balance as at 1 January 1992 | Income | | Expenditure | | Resources transferred # | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|--|---------------------------------|---------------------------|--------------------|------------------|----------------------------|----------------------------|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds # | | | |
| Donor: United Kingdom Preparatory Assistance for the Formulation of Urban Environmental Pilot Project | (311) | 27 732 | . | 1 120 | . | . | 26 301 | 26 301 | . |
| Donor: United Kingdom United Kingdom/Liberian Emergency Relief Trust Fund | 127 155 | 172 191 | 4 788 | 213 455 | 13 874 | . | 76 805 | 72 017 | . |
| Donor: United Kingdom Low Income Urban Community Participatory Primary Environmental Care Project | . | 22 100 | . | 30 166 | 1 961 | . | (10 027) | . | . |
| Donor: United Nations Humanitarian Economic Assistance Programme to Afghanistan | 152 454 | 1 300 000 | 30 351 | 1 183 032 | 141 951 | . | 157 822 | 875 259 | 840 000 |
| Donor: United Nations UNW Support to UN Inter- Agency Humanitarian Programme in Iraq | . | 275 000 | . | 190 528 | 12 384 | . | 72 088 | 72 088 | . |
| Donor: USA UN Volunteers for Service with UNICEF and WFP | . | 590 000 | . | 411 367 | 25 408 | . | 153 225 | 153 225 | . |
| Donor: USA Inter-Agency Humanitarian Programme for Iraq | . | 328 000 | . | 287 258 | 18 671 | . | 22 071 | 22 071 | . |
| | 5 051 814 | 12 563 770 | 365 734 | 9 496 279 | 804 208 | . | 7 680 831 | 7 718 856 | 840 000 |

(Statement VIII)

STATEMENT XIVII (continued)

| Trust Fund | Balance as at 1 January 1992 | Income | | Expenditure | | | Resources transferred ^{a/} | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|---|---------------------------------|---------------------------|--------------------|------------------|----------------------------|-------------------------------------|--|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds ^{a/} | | | | |
| 5. UNITED NATIONS FUND FOR SCIENCE AND TECHNOLOGY FOR DEVELOPMENT | | | | | | | | | | |
| Donor: France | | | | | | | | | | |
| Strengthening Management of Technology Capacity at the School of Management Asian Institute of Technology (AIT) | 195 169 | . | 17 436 | 151 067 | . | . | . | 61 538 | 29 534 | . |
| Donor: Germany | | | | | | | | | | |
| Policy Dialogues for Strengthening Endogenous Capacities in Science and Technology | 240 117 | 1 232 106 | 58 084 | 1 181 329 | 150 933 | . | . | 198 045 | 122 469 | 22 748 |
| Donor: Germany | | | | | | | | | | |
| International Conference Series on Environmentally Sound Coal Technologies for China and India | 301 252 | . | 5 456 | 205 050 | 33 484 | . | . | 68 174 | 62 718 | . |
| Donor: Italy | | | | | | | | | | |
| Regional Non-destructive Testing Network for Latin America and the Caribbean - Phase II | 31 529 | . | 2 197 | 22 533 | 1 802 | . | . | 9 391 | . | . |
| Donor: Italy | | | | | | | | | | |
| Development of National Scientific and Technological Capacity in Natural Resources Remote Sensing through Aerial and Satellite Photo Interpretation | 37 296 | . | 3 318 | . | . | . | . | 40 614 | . | . |
| Donor: Italy | | | | | | | | | | |
| Reconnaissance and Exploration for Geothermal Resources | 24 868 | . | 4 101 | 19 636 | . | . | . | 9 333 | 5 232 | . |
| Donor: Italy | | | | | | | | | | |
| Application of Technologies Appropriate for Rural Areas - Phase II | 22 452 | . | 3 176 | (538) | . | . | . | 26 166 | 3 735 | 50 829 |
| Donor: Italy | | | | | | | | | | |
| Technological Information Pilot System (Demonstration Phase) | 1 653 | . | 60 | . | . | . | (1 713) | . | . | . |

STATEMENT XVIII (continued)

| Trust Fund | Balance as at 1 January 1992 | Income | | Expenditure | | Resources transferred #/ | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|--|---------------------------------|---------------------------|--------------------|------------------|----------------------------|-----------------------------|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds #/ | | | |
| Donor: Italy | | | | | | | | | |
| Establishment of the Beijing National Food Technology and Quality Control Research and Development Centre | 473 150 | - | 40 736 | 274 149 | (4 285) | - | 244 022 | 130 079 | - |
| Donor: Italy | | | | | | | | | |
| Technological Information Pilot System (TIPS) Semi-Commercial- ization (Bridging) Phase | 210 299 | - | 6 161 | 214 182 | - | (2 278) | - | - | - |
| Donor: Norway | | | | | | | | | |
| Computer-based Management Training Programme | 17 412 | - | 905 | - | - | (18 317) | - | - | - |
| Donor: Norway | | | | | | | | | |
| Strengthening the Computer Education and Computing Capability at the Asian Institute of Technology (AIT) | 192 252 | - | 20 526 | 259 650 | 23 176 | (18 317) | (51 731) | (70 050) | - |
| | <u>1 747 449</u> | <u>1 232 106</u> | <u>162 156</u> | <u>2 327 058</u> | <u>205 110</u> | <u>(18 317)</u> | <u>605 552</u> | <u>283 717</u> | <u>73 511</u> |
| | | | | | | | (statement IX) | | |
| 6. UNITED NATIONS DEVELOPMENT FUND FOR WOMEN | | | | | | | | | |
| Donor: Australia | | | | | | | | | |
| Incorporation of Women in Mainstream Development Planning | 338 432 | 59 929 | 25 022 | 374 706 | 48 677 | - | - | - | - |
| Donor: Canada | | | | | | | | | |
| CIDA/UNIFEM Trust Fund for Women in Appropriate Food Cycle Technologies in Africa | 99 032 | - | 7 566 | 98 891 | 7 453 | - | 254 | - | - |
| Donor: Denmark | | | | | | | | | |
| Credit Scheme for Productive Activities of Women in the United Republic of Tanzania | 2 660 837 | - | 228 643 | 1 375 159 | 132 817 | 431 041 | 950 463 | 2 421 742 | 1 601 316 |
| Donor: Japan | | | | | | | | | |
| Contribution to the Centre for Social Development and Humanitarian Affairs | 131 921 | - | 13 484 | - | - | - | 145 405 | 24 290 | - |

STATEMENT XXVIII (concluded)

| Trust Fund | Balance as at 1 January 1992 | Income | | Expenditure | | | Resources transferred #/ | Balance as at 31 December 1993 | Unspent allocations | Contributions pledged by Governments for the current and prior years |
|--|---------------------------------|---------------------------|--------------------|------------------|----------------------------|--------------------------|-----------------------------|-----------------------------------|------------------------|--|
| | | Contributions received | Interest income | Project costs | Programme support costs | Transfers/ refunds #/ | | | | |
| Donor: Non-governmental organization | | | | | | | | | | |
| Women's Appropriate Food Technology Project in the United Republic of Tanzania | (12 231) | | 1 738 | (10 493) | | | | | | |
| | 3 217 991 | 59 929 | 276 453 | 1 838 263 | 188 947 | 431 041 | | 1 096 122 | 2 446 032 | 1 601 316 |
| | | | | | | | | (statement XI) | | |
| 7. UNDP TRUST FUND TO COMBAT POVERTY AND HUNGER IN AFRICA | | | | | | | | | | |
| Donor: Italy | | | | | | | | | | |
| Ethiopia-Italy Programme of Rehabilitation and Development (EIPND) | 644 405 | | 57 492 | 76 357 | 9 163 | | | 616 377 | 34 862 | |
| | | | | | | | | (statement XVIII) | | |
| 8. UNDP TRUST FUND FOR HUMANITARIAN AND REHABILITATION ASSISTANCE FOR CAMBODIA | | | | | | | | | | |
| Donor: Sweden | | | | | | | | | | |
| UNDP/Sweden for the Rehabilitation of Infra structure in Cambodia | | 4 960 727 | 84 158 | 4 492 554 | 533 926 | | | 18 405 | 13 445 | |
| Donor: The Netherlands | | | | | | | | | | |
| UNDP/Netherlands Trust Fund for Cambodia | | 113 889 | | 95 559 | 9 556 | | | 8 774 | 9 729 | |
| Donor: USA | | | | | | | | | | |
| UNDP/USA Trust Fund for Cambodia | | 2 000 000 | 334 | 1 031 981 | 110 635 | | | 857 718 | 849 684 | |
| | | 7 074 616 | 84 492 | 5 620 094 | 654 117 | | | 884 897 | 872 858 | |
| | | | | | | | | (statement XXIII) | | |

a/ Refunds to donors and transfers of unexpended resources were made on instructions of donors.

The accompanying notes are an integral part of the financial statements.

SCHEDULE 1

UNDP : UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Miscellaneous income and expenditure
for the biennium ended 31 December 1993,
with comparative figures for the biennium ended 31 December 1991

(United States dollars)

| <u>1990-1991</u> | | | <u>1992-1993</u> |
|--------------------|--|---------------|-------------------|
| 182 458 961 | Income from investments | | 94 083 136 |
| 335 534 | Interest on construction loans | | 625 313 |
| 629 375 | Miscellaneous expenditure from accounts of executing agencies (net) | | (2 891 168) |
| (16 732 003) | Interest on cost-sharing contributions transferred to extrabudgetary resources | (note 6) | (9 296 761) |
| (5 618 046) | Transfer of interest earned in prior years to: Trust Fund contributions | | (5 356 528) |
| (9 727 722) | Advances for management service agreements | | (5 304 559) |
| 5 677 508 | Net adjustments on revaluation of currencies and gains/losses on exchange | (note 1(d)) | (52 144 997) |
| 6 364 756 | Savings in liquidating obligations of prior biennium | | 3 991 090 |
| (976 096) | Miscellaneous write-offs | | (154 941) |
| (865 333) | Expert hiatus financing, extended sick leave costs and compensation payments | (note 2) | (779 974) |
| - | Additional programme support cost reimbursement/recovery | | (655 581) |
| 32 078 | Donations | | 10 550 |
| <u>1 171 689</u> | Other | | <u>2 261 554</u> |
| <u>162 750 701</u> | Total | (statement I) | <u>24 387 134</u> |

SCHEDULE 2

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Programme expenditure for the biennium ended 31 December 1993

(United States dollars)

| Agency | Indicative Planning Figures | | | Indicative planning figure add-on funds | Indicative planning figure subline | Special Programme Resources | Special Industrial Services | Special Measures Fund for the Least Developed Countries | Cash counterpart | Total g/ |
|---------------------------------------|-----------------------------|-------------|----------------|---|------------------------------------|-----------------------------|-----------------------------|---|------------------|---------------|
| | Country | Regional | Inter-Regional | | | | | | | |
| UNITED NATIONS | 133 612 156 | 3 192 817 | 905 672 | 137 710 645 | - | 5 198 511 | 4 838 168 | 1 204 188 | 3 693 923 | 147 807 267 |
| UNIDO | 88 085 499 | 3 113 435 | - | 91 198 934 | - | 1 370 125 | - | 317 794 | 682 680 | 98 407 761 |
| FAO | 202 185 115 | 17 126 158 | 1 258 274 | 220 946 404 | - | 75 770 | - | (5 188) | 508 541 | 221 525 527 |
| UNESCO | 31 744 599 | 4 426 336 | 744 331 | 36 915 266 | - | 13 730 | - | (39 444) | 28 107 | 36 917 659 |
| ILO | 107 079 840 | 5 298 301 | 404 649 | 112 782 790 | - | 1 399 917 | - | 1 003 641 | 78 031 | 115 264 379 |
| ECA | - | 13 271 355 | - | 13 271 355 | - | 480 941 | - | - | - | 13 752 296 |
| ECE | - | 179 993 | - | 179 993 | - | - | - | - | - | 179 993 |
| ECLAC | - | 1 745 612 | - | 1 745 612 | - | - | - | - | - | 1 745 612 |
| ESCAP | - | 5 927 965 | - | 5 927 965 | - | (217 995) | - | - | - | 5 709 970 |
| ESCHAP | - | 298 646 | - | 327 415 | - | - | - | - | - | 327 415 |
| UNCTAD | 28 769 | 4 653 043 | 3 835 046 | 17 170 656 | - | 1 517 568 | - | 156 699 | 9 988 | 18 854 911 |
| UNCHS | 8 682 547 | 846 134 | 3 221 150 | 46 320 914 | - | 1 012 455 | - | (1 500 560) | 554 174 | 46 386 983 |
| ICAO | 42 253 630 | 2 055 503 | 748 775 | 42 740 049 | - | 426 301 | - | - | 7 246 333 | 50 412 683 |
| WHO | 39 935 771 | 2 027 594 | 2 624 326 | 35 426 346 | - | 991 973 | - | 30 430 | 1 884 | 36 450 633 |
| WORLD BANK | 13 893 857 | 13 365 254 | 19 298 913 | 104 818 628 | 82 156 | 3 757 445 | - | 548 049 | 1 095 085 | 110 301 363 |
| IFC | 52 533 869 | 16 265 292 | 379 864 | 16 889 095 | - | - | - | - | - | 16 889 095 |
| UPU | 243 939 | 133 024 | - | 3 711 503 | - | - | - | - | - | 3 711 503 |
| ITU | 3 578 479 | 4 472 078 | - | 21 052 778 | - | 23 526 | - | 49 416 | 2 513 | 21 128 233 |
| IMO | 16 580 700 | 1 623 147 | - | 19 304 689 | - | - | - | - | 31 716 | 19 336 405 |
| WMO | 17 569 826 | 1 155 952 | 111 716 | 6 159 902 | - | 49 535 | - | - | - | 6 209 437 |
| WIPO | 4 143 950 | 729 634 | 860 000 | 2 627 574 | - | - | - | - | 557 | 2 628 131 |
| IAEA | 1 784 317 | 1 162 959 | 113 623 | 1 516 814 | - | - | - | - | 3 878 | 1 520 692 |
| ITC | 353 855 | 3 393 512 | 504 065 | 13 824 496 | - | 502 485 | - | 155 639 | - | 13 980 135 |
| WTO | 9 928 919 | 159 278 | - | 3 672 515 | - | - | - | - | - | 4 175 000 |
| AFDB | 3 513 237 | 453 461 | - | 453 461 | - | - | - | - | - | 453 461 |
| AsDB | 12 132 820 | 102 728 | - | 12 235 548 | - | - | - | 154 513 | - | 12 390 061 |
| IMF | 8 373 352 | 166 633 | 1 369 208 | 9 909 193 | - | - | - | - | - | 9 909 193 |
| AFESD | - | 1 155 970 | - | 1 155 970 | - | - | - | - | - | 1 155 970 |
| EBRD | - | 248 060 | - | 248 060 | - | 198 448 | - | - | - | 446 508 |
| UNV | 28 901 559 | 1 827 570 | - | 30 729 129 | - | 348 605 | - | 32 216 | - | 31 109 950 |
| GOVERNMENTS | 599 251 817 | 13 484 697 | - | 612 736 514 | 607 141 | 19 791 693 | - | 3 131 558 | 7 733 028 | 649 778 611 |
| OPS | 164 844 711 | 27 461 825 | 11 288 253 | 215 390 965 | - | 116 204 234 | - | 2 772 831 | 3 186 201 | 339 221 293 |
| UNDP-Other | 204 560 | 1 204 626 | - | 1 409 186 | - | 4 041 311 | - | 302 769 | - | 5 753 266 |
| Total (inclusive of cost-sharing) | 1 591 439 693 | 152 728 612 | 47 667 865 | 48 674 194 | 607 141 | 157 186 578 | 4 838 168 | 8 314 551 | 24 856 639 | 2 043 841 536 |
| Charged to: | | | | | | | | | | |
| Source of funds as per column heading | 1 130 005 959 | 131 627 325 | 26 262 473 | 47 280 352 | 607 141 | 96 984 648 | 4 838 168 | 8 240 418 | 24 856 639 | 1 477 355 026 |
| Cost-sharing | 461 433 734 | 21 101 287 | 21 405 392 | 1 393 842 | - | 60 201 930 | - | 74 133 | - | 566 486 510 |
| Total (inclusive of cost-sharing) | 1 591 439 693 | 152 728 612 | 47 667 865 | 48 674 194 | 607 141 | 157 186 578 | 4 838 168 | 8 314 551 | 24 856 639 | 2 043 841 536 |

3/ In addition to the expenditure disclosed above, it is estimated that approximately \$2.0 million has been expended by AFESD and \$2.0 million by UNITAR in 1992-1993. These amounts will be recorded in 1994 following confirmation of the expenditures by the agencies concerned.

SCHEDULE 2.1

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Agency Support Costs and Technical Support Services for the biennium ended 31 December 1993 a/

(United States dollars)

| Agency | Technical support services - I | Technical support services - II | Special Measures | | | | | Old Regime | | | |
|---------------------------------------|--------------------------------|---------------------------------|------------------|-----------------------------|--|-----------------------------|-------------------------|--------------------|------------------|--------------------|---------------------------|
| | | | Sub-line | Special Programme Resources | Fund for the Least Developed Countries | Special Industrial Services | Central Resource Charge | Execution | Cash counterpart | Cooperating Agency | Total |
| United Nations | 3 023 266 | 1 132 971 | 973 743 | 31 638 | - | - | - | 16 487 007 | 129 287 | 1 342 575 | 23 120 507 |
| UNIDO | 3 223 775 | 163 795 | 304 535 | - | - | - | - | 12 401 334 | 23 893 | 484 702 | 16 605 976 |
| FAO | 3 571 385 | 154 356 | 489 392 | - | - | 3 942 | - | 27 284 166 | 17 799 | 1 162 778 | 32 659 876 |
| UNESCO | 2 260 417 | 242 814 | 200 048 | - | - | - | - | 4 050 310 | 983 | 195 600 | 6 950 172 |
| ILO | 3 587 115 | 648 862 | 1 072 105 | 6 167 | - | - | - | 13 375 640 | 2 731 | 608 387 | 19 301 007 |
| ECA | - | - | - | - | - | - | - | 1 787 798 | - | - | 1 787 798 |
| ECE | - | - | - | - | - | - | - | 21 444 | - | - | 21 444 |
| ECLAC | - | - | 5 866 | - | - | - | 1 760 | 226 929 | - | 54 799 | 289 354 |
| ESCAP | - | - | - | - | - | - | - | 724 302 | - | - | 724 302 |
| ESCPA | - | - | - | - | - | - | - | 42 343 | - | - | 42 343 |
| UNCTAD | - | - | 98 417 | - | - | - | 29 656 | 2 365 101 | 350 | 77 396 | 2 570 920 |
| UNCN | - | - | 21 230 | - | - | - | 6 369 | 5 922 405 | 19 396 | 155 507 | 6 124 907 |
| UNCN | - | - | 1 483 | - | - | - | 445 | 5 429 585 | 253 622 | 305 479 | 5 990 614 |
| ICAO | - | - | - | - | - | - | - | 3 941 025 | 83 | 94 292 | 4 035 400 |
| WHO | - | - | 292 875 | - | - | - | - | 8 778 605 | 38 463 | 154 380 | 9 264 323 |
| WORLD BANK | - | - | 7 391 | - | - | - | 1 081 | 1 690 928 | - | 2 553 | 1 701 953 |
| IFC | - | - | 5 081 | - | - | - | 3 355 | 799 206 | - | - | 807 642 |
| UPU | - | - | 14 435 | - | - | - | 683 | 4 165 647 | - | 166 469 | 4 347 234 |
| ITU | - | - | 8 540 | - | - | - | 50 478 | 3 120 803 | 1 110 | 71 623 | 3 252 554 |
| IMO | - | - | 21 409 | - | - | - | 5 114 | 1 349 275 | - | 17 833 | 1 393 631 |
| WIPO | - | - | 32 232 | - | - | - | 11 170 | 417 368 | 20 | 1 651 | 460 790 |
| IAEA | - | - | 60 077 | - | - | - | 18 024 | 267 160 | 136 | 347 048 | 347 048 |
| ITC | - | - | 60 846 | - | - | - | 31 120 | 2 899 948 | - | 70 227 | 3 062 141 |
| WTO | - | - | 50 016 | - | - | - | 21 649 | 836 987 | - | 21 310 | 929 962 |
| AFDB | - | - | 89 195 | - | - | - | 26 759 | 58 950 | - | (74 306) | 58 950 |
| ASDB | - | - | 1 393 | - | - | - | 1 817 | 1 523 754 | - | 24 704 | 1 565 402 |
| INF | - | - | 24 806 | - | - | - | 7 442 | 1 245 306 | - | - | 1 273 220 |
| EBRD | - | - | - | - | - | - | - | - | - | - | 32 248 |
| UNV | - | - | - | - | - | - | - | - | - | - | - |
| Governments | - | - | - | - | - | - | - | - | - | - | - |
| OPS | - | - | 4 459 051 | 1 723 118 | 115 | - | - | 30 076 246 | 111 517 | 1 777 726 | 38 147 773 b/ |
| UNDP-Other | - | - | 609 009 | 609 009 | - | - | - | - | - | - | 609 009 |
| Total | 15 665 978 | 2 342 798 | 8 294 166 | 2 369 932 | 115 | 3 942 | 216 922 | 151 269 572 | 599 390 | 6 715 685 | 187 478 500 |
| Charged to: | | | | | | | | | | | |
| Source of funds as per column heading | 15 665 978 | 2 342 798 | 6 465 817 | 2 245 073 | 115 | 3 942 | 216 922 | 118 159 924 | 599 390 | 6 138 798 | 151 838 757 |
| Cost-sharing | - | - | 1 828 349 | 124 859 | - | - | - | 33 109 648 | - | 576 887 | 35 639 743 |
| Total | 15 665 978 | 2 342 798 | 8 294 166 | 2 369 932 | 115 | 3 942 | 216 922 | 151 269 572 | 599 390 | 6 715 685 | 187 478 500 |
| Less: OPS | - | - | - | - | - | - | - | - | - | - | - |
| Adjusted Total | - | - | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | | | 28 633 721 b/ |
| | | | | | | | | | | | 158 844 779 (Statement 1) |

a/ See note 1(c).

b/ See note 8.

SCHEDULE 3

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

UNDP biennial budget

Administrative services, programme support and development activities costs
for the biennium ended 31 December 1993

(United States dollars)

| | Revised appropriation a/ | Expenditure | | | Income received | Net expenditure | Unencumbered balance |
|--|-----------------------------|---------------|-----------------------------|----------------------|--------------------|--------------------|-------------------------|
| | | Disbursements | Unliquidated obligations | Gross expenditure | | | |
| UNDP core activities: | | | | | | | |
| Headquarters | 148 253 600 | 136 413 038 | 6 138 677 | 142 551 715 | - | 142 551 715 | 5 701 885 |
| Field Office | 331 322 400 | 296 887 635 | 13 094 322 | 309 981 957 | - | 309 981 957 | 21 340 443 |
| | 479 576 000 | 433 300 673 | 19 232 999 | 452 533 672 b/ | - | 452 533 672 | 27 042 328 |
| Income received | 32 000 000 | - | - | - | 34 651 905 | 34 651 905 | (2 651 905) |
| | 447 576 000 | 433 300 673 | 19 232 999 | 452 533 672 | 34 651 905 | 417 881 767 c/ | 29 694 233 |
| Programme support and development activities: | | | | | | | |
| Programme development activities | 21 286 000 | 16 241 928 | 355 590 | 16 597 518 | - | 16 597 518 | 4 688 482 |
| Project/programme implementation services: | | | | | | | |
| Development support services | 5 788 700 | 4 468 268 | 389 881 | 4 858 149 | - | 4 858 149 | 930 551 |
| Office for Project Services | 32 793 300 | 28 219 328 | 601 690 | 28 821 018 | - | 28 821 018 d/ | 3 972 282 |
| Inter-Agency Procurement Services Office | 5 669 400 | 4 484 084 | - | 4 484 084 | - | 4 484 084 | 1 185 316 |
| United Nations Volunteers programme | 30 728 200 | 29 612 664 | 473 649 | 30 086 313 | - | 30 086 313 | 641 887 |
| National execution | 2 690 600 | 2 239 261 | 51 801 | 2 291 062 | - | 2 291 062 | 399 538 |
| | 77 670 200 | 69 023 605 | 1 517 021 | 70 540 626 | - | 70 540 626 | 7 129 574 |
| Programme support | 2 300 000 | 2 020 822 | - | 2 020 822 | - | 2 020 822 | 279 178 |
| | 101 256 200 | 87 286 355 | 1 872 611 | 89 158 966 | - | 89 158 966 e/ | 12 097 234 |
| Total | 548 832 200 | 520 587 028 | 21 105 610 | 541 692 638 | 34 651 905 e/ | 507 040 733 | 41 791 467 f/ |

a/ As submitted to the Governing Council at its fortieth session in June 1993.

b/ See schedule 3.1.

c/ See statement 1.

d/ See note 8.

e/ See note 9.

f/ See note 7.

SCHEDULE 3.1

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Expenditure against UNDP core activities by major category of expenditure
for the biennium ended 31 December 1993

(United States dollars)

| | Revised appropriations | Expenditure | | |
|--|---------------------------|--------------------|-----------------------------|--------------------|
| | | Disbursements | Unliquidated obligations | Total |
| Salaries and wages | 207 573 700 | 191 086 760 | 658 145 | 191 744 905 |
| Common staff costs | 141 059 200 | 131 671 386 | 7 574 443 | 139 245 829 |
| Travel on official business | 11 331 000 | 10 660 497 | 802 477 | 11 462 974 |
| Contractual services | 8 843 100 | 8 624 143 | 860 439 | 9 484 582 |
| General operating expenses | 71 017 000 | 59 205 933 | 2 297 796 | 61 503 729 |
| Supplies and materials | 9 285 700 | 6 883 991 | 442 760 | 7 326 751 |
| Acquisition of furniture and equipment | 17 832 200 | 13 732 838 | 3 674 811 | 17 407 649 |
| UNDP share of joint activities within the United Nations system | <u>12 634 100</u> | <u>11 435 125</u> | <u>2 922 128</u> | <u>14 357 253</u> |
| Total (schedule 3) | <u>479 576 000</u> | <u>433 300 673</u> | <u>19 232 999</u> | <u>452 533 672</u> |

SCHEDULE 4

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Extrabudgetary income and expenditure
for the biennium ended 31 December 1993

(United States dollars)

| | Balance as at 1 January 1992 | Income received | Transfer between resources | Expenditure | | | Balance as at 31 December 1993 |
|---|------------------------------------|-----------------------------|----------------------------------|---------------|-----------------------------|--|--------------------------------------|
| | | | | Disbursements | Unliquidated obligations | Savings in liquidating prior year obligations | |
| Support services provided by UNDP core activities and trust non-core activities and trust funds administered by UNDP | 8 043 984 | 27 092 644 | - | 24 822 240 | 809 729 | 110 297 | 9 614 956 |
| Administrative support of activities financed by the Reserve for Field Accommodation | 79 586 | 197 873 | - | 19 056 | - | - | 258 403 |
| Programme and administrative support in field offices | 19 565 917 | 28 082 876 a/ | 19 016 556 | 39 849 176 | 942 097 | 265 950 | 26 140 026 |
| Procurement services provided by the Inter-Agency Procurement Services Office | 515 624 | 3 124 181 | - | 3 242 734 | 19 093 | 3 086 | 381 064 |
| Office for Project Services activities related to Trust Funds and Management Service Agreements | 4 302 049 | 34 049 748 b/ | - | 30 563 390 | 602 744 | - | 7 185 663 |
| Total (statement IV) | 32 507 160 | 92 547 322 (statement I) | 19 016 556 | 98 496 596 | 2 373 663 | 379 333 | 43 580 112 (statement I) |

a/ See note 6.

b/ See note 8.

SCHEDULE 5

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Status of bilateral and other resources received under management service agreements
for the biennium ended 31 December 1993

(United States dollars)

| Source of funding | Recipient country | Balance as at 1 January 1992 | Income received a/ | Cost of Services | | | Unencumbered balance as at 31 December 1993 |
|--|--------------------|------------------------------|--------------------|------------------|--------------------------|------------|---|
| | | | | Disbursements | Unliquidated obligations | Total | |
| <u>Executed by Office for Project Services</u> | | | | | | | |
| EEC | Albania | - | 1 966 275 | 1 436 383 | 182 784 | 1 619 167 | 347 108 |
| IASB | Argentina | (220 110) | 305 817 | (115 989) | - | (115 989) | 201 696 |
| World Bank | Argentina | 6 019 226 | 32 996 785 | 23 441 633 | 4 985 227 | 28 426 860 | 10 589 151 |
| Italy | Argentina/Uruguay | 116 806 | 13 177 | 39 452 | - | 39 452 | 90 531 |
| IASB | Argentina | - | 25 386 000 | 773 200 | 20 801 372 | 21 574 572 | 3 811 428 |
| Japan | Benin | 3 711 358 | 8 714 335 | 3 940 134 | 3 822 252 | 7 762 386 | 4 663 307 |
| Bhutan | Bhutan | - | 285 041 | 258 630 | 20 645 | 279 275 | 5 766 |
| IDA | Bolivia | 1 596 866 b/ | 2 272 777 | 3 060 920 | 102 285 | 3 163 205 | 706 438 |
| Multiple | Bolivia | - | 12 463 | - | - | - | 12 463 |
| IDA | Bolivia | 2 020 156 b/ | 2 896 073 | 3 618 508 | 156 805 | 3 775 313 | 1 140 916 |
| World Bank | Bolivia | 130 691 | 1 752 937 | 1 212 406 | 34 768 | 1 247 174 | 636 454 |
| Japan | Bolivia | - | 7 824 172 | 7 661 164 | 102 975 | 7 764 139 | 60 033 |
| Bolivia | Bolivia | - | 1 009 288 | 563 717 | - | 563 717 | 445 571 |
| German | Bolivia | - | 3 668 509 | 3 613 001 | 1 646 | 3 614 647 | 53 862 |
| World Bank | Brazil | 218 422 | (227 699) | (9 277) | - | (9 277) | - |
| Japan | Burkina Faso | - | 2 558 181 | 1 756 935 | 371 872 | 2 128 807 | 429 374 |
| Japan | Cameroon | - | 7 515 110 | 6 396 401 | 505 705 | 6 902 106 | 613 004 |
| Japan | Central Africa | 441 516 | 4 282 644 | 1 717 156 | 2 929 920 | 4 647 076 | 77 084 |
| Italy | Central America | 3 139 564 | 3 940 593 | 4 515 810 | 745 944 | 5 261 754 | 1 818 403 |
| Italy | Chad | 107 154 | 11 680 | 59 097 | - | 59 097 | 59 737 |
| Government | Congo | - | - | 25 760 | 298 327 | 324 087 | (324 087) |
| USAID | Costa Rica | 10 879 | 396 | - | - | - | 11 275 |
| World Bank | Costa Rica | 35 397 | 4 070 | 6 449 | - | 6 449 | 33 018 |
| Italy | Cuba | 43 737 | 1 591 | 410 | - | 410 | 44 918 |
| IDA | Djibouti | 28 771 | 2 386 | 7 429 | - | 7 429 | 23 728 |
| Djibouti | Djibouti | - | 445 145 | 117 922 | 7 866 | 125 788 | 319 357 |
| Dominica | Dominican Republic | 105 000 | 646 199 | 583 777 | 95 745 | 679 522 | 71 677 |
| World Bank | Ecuador | 155 738 | 10 678 309 | 5 227 649 | 1 047 538 | 6 275 187 | 4 558 860 |
| Netherlands | Egypt | 195 065 | 12 740 | 83 683 | 119 760 | 203 443 | 4 362 |
| Italy | Egypt | 82 353 | 3 074 | (2 972) | - | (2 972) | 88 399 |
| Italy | El Salvador | 177 584 | 3 326 693 | 496 922 | 22 271 | 519 193 | 2 985 084 |
| Japan | El Salvador | - | 12 748 488 | 5 525 662 | 6 228 895 | 11 754 557 | 993 931 |
| Italy | Ethiopia | 201 274 | 23 045 | 9 997 | - | 9 997 | 214 322 |
| IDA | Ethiopia | 83 617 | 1 162 505 | 806 897 | 29 684 | 836 581 | 409 541 |
| Joint | Europe (regional) | 114 652 | 10 252 | - | - | - | 124 904 |
| Netherlands | Guatemala | 220 576 | 20 655 | 150 121 | - | 150 121 | 91 110 |
| World Bank | Guatemala | - | 69 180 | 7 862 | 17 418 | 25 280 | 43 900 |
| Japan | Guinea | 81 068 | 3 933 309 | 332 067 | 2 505 893 | 2 837 960 | 1 176 417 |
| Italy | Guinea | 4 050 | 148 | - | - | - | 4 198 |
| World Bank | Honduras | 39 903 | 253 428 | 353 343 | 6 339 | 359 682 | (66 351) e/ |
| Japan | Honduras | 3 540 680 | 226 883 | 3 338 210 | 367 100 | 3 705 310 | 62 253 |
| IDA | Indonesia | 5 762 | 210 | - | - | - | 5 972 |
| Denmark | Interregional | 1 253 235 | 4 787 432 | 1 323 043 | 431 016 | 1 754 059 | 4 286 608 |
| Norway | Interregional | 307 346 | 869 117 | 443 880 | 111 359 | 555 239 | 621 224 |
| UN | Iraq | - | 130 420 | 130 420 | - | 130 420 | - |
| Japan | Ivory Coast | - | 400 000 | 400 000 | - | 400 000 | - |
| Norway | Kyrgyzstan | - | 583 942 | 562 922 | - | 562 922 | 21 020 |
| Government | Kyrgyzstan | - | 410 000 | 409 966 | - | 409 966 | 34 |
| Australia | Laos | 24 883 | 2 050 | - | - | - | 26 933 |
| Government | Latvia | - | 200 000 | 95 769 | 47 843 | 143 612 | 56 388 |
| Japan | Madagascar | 8 327 056 | 10 694 455 | 3 513 918 | 5 623 075 | 9 136 993 | 9 884 518 |
| Japan | Mauritania | 20 027 | 8 794 761 | 319 175 | 8 277 070 | 8 596 245 | 218 543 |
| Japan | Mali | 865 602 | 3 931 339 | 4 786 446 | - | 4 786 446 | 10 495 |
| World Bank | Mali | - | 65 400 | 27 142 | 617 | 27 759 | 37 641 |

SCHEDULE 5 (Concluded)

| Source of funding | Recipient country | Balance as at 1 January 1992 | Income received a/ | Cost of Services | | | Unencumbered balance as at 31 December 1993 |
|--|-----------------------|------------------------------|--------------------|--------------------|--------------------------|--------------------|---|
| | | | | Disbursements | Unliquidated obligations | Total | |
| <u>Executed by Office for Project Services</u> | | | | | | | |
| Mexico | Mexico/Colombia/ | | | | | | |
| | Venezuela | - | 70 903 | 69 016 | 14 423 | 83 439 | (12 536) e/ |
| IDA | Mongolia | - | 2 087 036 | 1 537 903 | 165 015 | 1 702 918 | 384 118 |
| Denmark | Mongolia | 886 668 | (2 467) | 884 201 | - | 884 201 | - |
| Japan | Mongolia | 514 115 | 16 582 384 | 8 392 892 | 6 482 585 | 14 875 477 | 2 221 022 |
| Netherlands | Mongolia | - | 1 066 667 | 975 845 | 14 559 | 990 404 | 76 263 |
| Japan | Niger | 269 006 | 20 623 | 260 552 | 19 545 | 280 097 | 9 532 |
| Japan | Nicaragua | 85 873 | 8 158 862 | 5 062 202 | 2 671 431 | 7 733 633 | 511 102 |
| IDA | Pakistan | 6 937 | 235 | 696 | - | 696 | 6 476 |
| Italy | Palestine | 2 004 233 | 12 762 960 | 5 607 363 | 28 659 | 5 636 022 | 9 131 171 |
| World Bank | Papua New Guinea | 458 027 | 933 124 | 1 047 184 | 70 749 | 1 117 933 | 273 218 |
| Australia | Papua New Guinea | 64 461 | 3 263 | 60 122 | - | 60 122 | 7 602 |
| IDB | Paraguay/Argentina/ | | | | | | |
| | Bolivia | - | 55 252 | 18 600 | - | 18 600 | 36 652 |
| Italy | Peru/Guatemala/ | | | | | | |
| | Zimbabwe | 17 317 | 1 386 | - | - | - | 18 703 |
| Japan | Peru | - | 29 983 712 | 23 920 566 | 5 913 771 | 29 834 337 | 149 375 |
| Denmark | Philippines | - | 423 983 | 343 938 | 78 784 | 422 722 | 1 261 |
| USDOJ | Republic of Palestine | - | 405 232 | 185 232 | - | 185 232 | 220 000 |
| France | Regional Africa | 988 854 | 86 140 | 304 548 | 39 507 | 344 055 | 730 939 |
| Sweden | Regional Africa | (364 069) | 2 775 286 | 2 094 854 | 326 997 | 2 421 851 | (10 634) |
| Finland | Regional Asia | - | 884 880 | 313 830 | - | 313 830 | 571 050 |
| Japan | Senegal | - | 245 000 | 245 000 | - | 245 000 | - |
| Japan | Somalia | 756 307 | 30 077 | 362 486 | 66 300 | 428 786 | 357 598 |
| World Bank | St.Kitts/Nevis | - | 483 042 | 46 678 | 176 518 | 223 196 | 259 846 |
| Japan | Sao Tome and Principe | - | 1 928 630 | 40 000 | 1 060 029 | 1 100 029 | 828 601 |
| Italy | Sudan | 1 043 394 | 93 354 | 31 874 | - | 31 874 | 1 104 874 |
| Italy | Thailand | (997) | - | (999) | - | (999) | 2 |
| Finland | Thailand | 1 491 356 | 235 132 | 1 154 677 | 74 318 | 1 228 995 | 497 493 |
| Japan | Togo | 1 134 | (2 122) | (988) | - | (988) | - |
| World Bank | Turkey | 186 468 | 4 377 845 | 2 830 386 | 666 224 | 3 496 610 | 1 067 703 |
| U.S.A. | Turkey | 3 611 109 | 295 327 | 3 424 342 | - | 3 424 342 | 482 094 |
| World Bank | Uganda | 2 061 562 | 6 224 724 | 5 910 212 | 178 624 | 6 088 836 | 2 197 450 |
| Sweden | Uganda | 16 011 | 465 361 | 354 635 | 41 249 | 395 884 | 85 488 |
| World Bank | Tanzania | - | 288 540 | 8 200 | 61 388 | 69 588 | 218 952 |
| Australia | Viet Nam | 100 714 | 29 485 | (27 852) | - | (27 852) | 158 051 |
| World Bank | Yemen | (107 685) | 258 637 | 141 854 | - | 141 854 | 9 098 |
| Japan | Zaire | 60 474 | (9 716) | (317 999) | 175 333 | (142 666) | 193 424 |
| | | <u>47 357 173</u> | <u>262 864 557</u> | <u>158 305 200</u> | <u>78 328 024</u> | <u>236 633 224</u> | <u>73 588 506</u> |
| <u>Executed by other Agencies</u> | | | | | | | |
| Czechoslovakia | Interregional | 442 720 | (66 525) | 3 816 | - | 3 816 | 372 379 |
| Total | | <u>47 799 893</u> | <u>262 798 032</u> | <u>158 309 016</u> | <u>78 328 024 d/</u> | <u>236 637 040</u> | <u>73 960 885</u> (statement 11) |

a/ Total income received comprises: advances of \$257 883 933 received from donors in accordance with management service agreements entered into by UNDP for the provision of bilateral and other programmes and interest of \$4 914 099 earned on these advances.

b/ An amount of \$1,062,406 was transferred from Boliva-IDB to Boliva-IDA to properly to reflect the opening balances for a current biennium.

c/ At the time of financial statement preparation, sufficient funds had been received in 1994 to eliminate the deficit.

d/ See note 16(b).

SCHEDULE 6

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Investments as at 31 December 1993,
with comparative figures as at 31 December 1991

(United States dollars)

| <u>1991</u> | <u>Type</u> | <u>1993</u> |
|--------------------|-----------------------------------|--------------------------------------|
| 4 100 475 | Interest-bearing current accounts | 3 713 328 |
| 1 196 107 | Call accounts | 3 947 460 |
| 557 790 166 | Time-deposits | 712 491 394 |
| 183 373 682 | Bonds and notes | 205 571 628 |
| <u>70 619 070</u> | Other securities | <u>8 419 012</u> |
| <u>817 079 500</u> | Total | <u>934 142 822</u> (statement II) |

SCHEDULE 7

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Status of the Investments and Activities of the Reserve for Field Accommodation as at 31 December 1993

(United States dollars)

| | Advances | Outstanding commitments a/ |
|--------------------------------------|----------------------|-------------------------------|
| Construction loans to Governments | 3 448 051 | - |
| Completed investments | 10 531 905 | - |
| New construction | 22 355 274 | 1 035 387 |
| Household Appliances Rental Scheme | 594 151 | - |
| Repairs and rehabilitation of houses | <u>4 573 575</u> | <u>-</u> |
| Total outstanding | <u>41 502 956 b/</u> | <u>1 035 387</u> |
| Overexpenditure | <u>(16 502 956)</u> | |
| Authorized level of reserve | <u>25 000 000 b/</u> | |

a/ See note I(f).

b/ See statement II.

SCHEDULE 8

UNDP: UNITED NATIONS DEVELOPMENT PROGRAMME ACCOUNT

Junior Professional Officers programme Status of funds for the biennium ended 31 December 1993

(United States dollars)

| Sources of financing | Balance as at 1 January 1992 | Receipts | Disbursements | Balance as at 31 December 1993 |
|---------------------------|---------------------------------|-------------------|-------------------|------------------------------------|
| <u>Governments</u> | | | | |
| Australia | 35 948 | 267 664 | 294 322 | 9 290 |
| Austria | 23 693 | 1 109 538 | 1 027 471 | 105 760 |
| Belgium | (9 555) | 3 447 206 | 2 583 642 | 854 009 |
| Canada | 1 292 489 | 2 865 740 | 3 110 047 | 1 048 182 |
| Denmark | 935 825 | 5 940 979 | 5 840 508 | 1 036 296 |
| Finland | 667 639 | 2 668 661 | 2 349 983 | 986 317 |
| France | (583 683) | 4 930 604 | 3 765 227 | 581 694 |
| Germany | 1 531 737 | 3 847 589 | 4 082 531 | 1 296 795 |
| Ireland | 279 | - | 60 | 219 |
| Italy | (729 560) | 1 336 266 | 980 297 | (373 591) |
| Japan | (606 245) | 2 577 995 | 2 423 330 | (451 580) |
| Luxembourg | - | 175 393 | 161 811 | 13 582 |
| Netherlands | (669 931) | 8 954 637 | 8 291 340 | (6 634) a/ |
| Norway | 503 094 | 3 008 928 | 2 686 341 | 825 681 |
| Portugal | - | - | 26 883 | (26 883) |
| Spain | (1 134 537) | 2 264 057 | 1 992 163 | (862 643) a/ |
| Sweden | 892 874 | 3 562 648 | 3 573 893 | 881 629 |
| Switzerland | 33 505 | 1 244 990 | 1 016 486 | 262 009 |
| United Kingdom | <u>(275 864)</u> | <u>1 055 231</u> | <u>897 634</u> | <u>(118 267) a/</u> |
| Total | <u>1 907 708</u> | <u>49 258 126</u> | <u>45 103 969</u> | <u>6 061 865</u> (statement II) |

a/ At the time of preparing the financial statements, the following funds had been received in 1994: Netherlands - \$1,275,000; Spain - \$565,159; United Kingdom - \$118,267.

SCHEDULE 9
UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Movements in resources for the biennium ended 31 December 1993

(United States dollars)

| Trust funds | Statement no. | GENERAL RESOURCES | | | | COST-SHARING | | | | SUB-TRUST FUNDS | | | | EXTRABUDGETARY ACTIVITIES | | | |
|---|---------------|--------------------------|------------------------|---------------------------|--------------------------|---------------------------|------------------------|--------------------------|---------------------------|------------------------|--------------------------|---------------------------|------------------------|---------------------------|---------------------------|--|--|
| | | Balance as at 1 Jan 1992 | Surplus income/ (exp.) | Balance as at 31 Dec 1993 | Balance as at 1 Jan 1992 | Balance as at 31 Dec 1993 | Surplus income/ (exp.) | Balance as at 1 Jan 1992 | Balance as at 31 Dec 1993 | Surplus income/ (exp.) | Balance as at 1 Jan 1992 | Balance as at 31 Dec 1993 | Surplus income/ (exp.) | Balance as at 1 Jan 1992 | Balance as at 31 Dec 1993 | | |
| United Nations Capital Development Fund | V | 108 760 114 | (29 660 708) | 78 879 406 | (81 990) | 144 003 | 227 993 | 1 053 677 | 1 049 980 | - | - | - | - | - | | | |
| United Nations Revolving Fund for Natural Resources Exploration | VI | 2 246 914 | (96 578) | 2 150 336 | - | - | - | 67 033 | 68 097 | - | - | - | - | - | | | |
| United Nations Trust Fund for Sudanese-Sudanese Activities | VII | 34 940 804 | (9 151 159) | 25 789 645 | 15 621 965 | 8 149 893 | (7 272 072) | 1 718 791 | 890 773 | - | - | - | - | - | | | |
| United Nations Volunteers Programme | VIII | 6 855 812 | 2 310 711 | 9 166 523 | - | - | - | 5 051 814 | 7 680 831 | - | - | - | - | - | | | |
| United Nations Fund for Science and Technology for Development | IX | 2 157 627 | (1 200 432) | 957 195 | 263 908 | 182 998 | (80 910) | 1 747 449 | 605 552 | 60 149 | (2 14) | - | - | - | | | |
| United Nations Development Fund for Women | XI | 8 400 251 | (5 484 758) | 2 915 493 | 1 573 136 | 1 648 717 | 75 581 | 3 217 991 | 1 096 122 | - | - | - | - | - | | | |
| UNDP Trust Fund to Combat Poverty and Hunger in Africa | XVIII | 44 209 | 1 509 | 45 718 | - | - | - | 644 405 | 616 377 | 353 013 | (62 609) | - | - | - | | | |
| Trust Fund for the Global Environment Facility | XXI | 489 088 | 16 824 451 | 17 313 539 | 70 000 | 985 366 | 915 366 | - | - | - | - | - | - | - | | | |
| UNDP Trust Fund for Humanitarian and Rehabilitation Assistance for Cambodia | XXII | - | - | - | - | - | - | - | 884 897 | - | - | - | - | - | | | |

V/ The surplus expenditure under general resources of \$29,660,708 includes a net transfer of \$3,000,000 from operational reserve.

VI/ The surplus expenditure under cost-sharing includes the amount of \$35,116 representing transfer of resources from sub-trust funds. The surplus expenditure under sub-trust funds includes the amount of \$972,074 representing unexpended resources transferred or refunded to donors due to the closure of the sub-trust fund.

VII/ The surplus expenditure under sub-trust funds includes the amount of \$22,308 representing transfers and refunds of unexpended resources owing to closure of the sub-trust funds, of which \$3,991 was transferred to general resources.

VIII/ The surplus expenditure under general resources of \$5,484,758 includes a net transfer of \$1,100,000 from operational reserve.

SCHEDULE 10

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Investments as at 31 December 1993,
with comparative figures for 1991

(United States dollars)

| 1991 | Trust fund | 1993 |
|--|-----------------------------------|--------------------|
| <u>United Nations Capital Development Fund</u> | | |
| 14 333 | Interest-bearing current accounts | 3 820 |
| 140 000 | Call accounts | 50 900 |
| 116 850 000 | Time-deposits | 81 525 000 |
| 48 181 581 | Bonds and notes | 59 489 593 |
| <u>165 185 914</u> | Total (statement V) | <u>141 069 313</u> |
| <u>United Nations Revolving Fund for Natural Resources Exploration</u> | | |
| 133 000 | Call Accounts | 27 000 |
| 1 550 000 | Time-deposits | 1 680 000 |
| <u>1 683 000</u> | Total (statement VI) | <u>1 707 000</u> |
| <u>United Nations Trust Fund for Sudano-Sahelian Activities</u> | | |
| 1 013 | Interest-bearing current accounts | 1 103 |
| 116 000 | Call accounts | 17 800 |
| 46 750 000 | Time-deposits | 19 707 000 |
| 8 047 892 | Bonds and notes | 13 148 914 |
| <u>54 914 905</u> | Total (statement VII) | <u>32 874 817</u> |
| <u>United Nations Volunteers programme</u> | | |
| 23 374 | Interest-bearing current accounts | 10 980 |
| 460 000 | Call accounts | 120 000 |
| 19 650 000 | Time-deposits | 20 750 000 |
| <u>20 133 374</u> | Total (statement VIII) | <u>20 880 980</u> |

SCHEDULE 10 (concluded)

| 1991 | Trust fund | 1993 |
|-------------------|--|-------------------|
| | <u>United Nations Fund for Science and Technology for Development</u> | |
| 100 000 | Call accounts | 31 000 |
| 4 500 000 | Time-deposits | 2 245 000 |
| <u>4 600 000</u> | Total (statement IX) | <u>2 276 000</u> |
| | <u>UNDP Trust Fund for the Nationhood Programme of the Fund for Namibia</u> | |
| 140 000 | Call accounts | 35 000 |
| 1 400 000 | Time-deposits | 350 000 |
| <u>1 540 000</u> | Total (statement X) | <u>385 000</u> |
| | <u>United Nations Development Fund for Women</u> | |
| 140 000 | Call accounts | 29 000 |
| 12 700 000 | Time-deposits | 12 645 000 |
| <u>1 750 000</u> | Bonds and notes | <u>1 000 000</u> |
| <u>14 590 000</u> | Total (statement XI) | <u>13 674 000</u> |
| | <u>Pérez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries</u> | |
| 1 500 000 | Time-deposits | 214 000 |
| 5 061 704 | Bonds and notes | 5 648 027 |
| <u>6 561 704</u> | Total (statement XVI) | <u>5 862 027</u> |
| | <u>Trust Fund for Environmental Conservation in Bhutan</u> | |
| - | Bonds and notes (statement XXII) | <u>9 242 067</u> |
| | <u>United Nations Trust Fund for Operational Programme in Lesotho</u> | |
| <u>54 717</u> | Interest-bearing current accounts (statement XXVI) | <u>-</u> |

SCHEDULE 11

UNDP: TRUST FUNDS ADMINISTERED BY UNDP

Budget appropriations and expenditure for the biennium ended 31 December 1993

(United States dollars)

| Trust fund | Revised Net appropriation | Expenditure | | | Unencumbered balance |
|--|---------------------------|---------------|--------------------------|-------------------------|----------------------|
| | | Disbursements | Unliquidated obligations | Total expenditure | |
| United Nations Capital Development Fund | 10 766 000 | 8 880 897 | 112 938 | 8 993 835 | 1 772 165 |
| United Nations Revolving Fund for Natural Resources Exploration and United Nations Fund for Science and Technology for Development | 4 356 600 | 2 605 638 | 20 419 | 2 626 057 ^{a/} | 1 730 543 |
| United Nations Trust Fund for Sudan-Sahelian Activities | 8 004 300 | 6 548 623 | 171 745 | 6 720 368 | 1 283 932 |
| United Nations Development Fund for Women | 5 605 600 | 5 132 018 | 67 044 | 5 199 062 | 406 538 |

^{a/} Breakdown of expenditure is as follows:

| | Disbursements | Unliquidated obligations | Total expenditure |
|---|---------------|--------------------------|-------------------|
| United Nations Revolving Fund for Natural Resources Exploration | 1 822 906 | 20 419 | 1 843 325 |
| United Nations Fund for Science and Technology for Development | 782 732 | - | 782 732 |
| | 2 605 638 | 20 419 | 2 626 057 |

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Summary of significant accounting policies

The financial statements reflect the application of the following significant accounting policies:

(a) Income

Interest income is accrued as income in the biennium to which it relates. All other income is accounted for on a cash basis, with the exception of income accrued on government letters of credit which are irrevocable (see note 12). Government contributions receivable for the current and prior bienniums are shown in note 3 for the UNDP Account, and in note 31 and as notes on the status of funds of the trust funds (statements V to XXVII).

(b) Expenditure

All expenditure of UNDP is accounted for on an accrual basis, except for that relating to staff entitlements and projects executed by Governments, which is accounted for on the basis of cash disbursements only. Project expenditure includes unliquidated obligations raised by the executing agencies (other than Governments) and the following criteria are generally applied:

| | |
|-------------------------------------|---|
| Experts and other project personnel | Costs relating to the period of contractual service falling within the current biennium up to the amount provided in the current budget; |
| Travel on official business | Costs of travel taking place in the current biennium and travel which commences before the end of the current biennium but extends into the next biennium; |
| Subcontracts | Payments falling due in the current biennium according to the terms of the contract or payment schedule; |
| Fellowships | Cost of the fellowship from the anticipated date of commencement of study or start of the current biennium to completion of study or end of the current biennium, whichever is earlier; |
| Group training | Full cost of any training activity held in the current biennium or beginning in the current and ending in the next biennium; |
| Equipment | Full cost of contractual agreement or firm order placed with the supplier prior to the end of the current biennium up to the amount provided in the current budget; |
| Miscellaneous | Cost of events occurred (for example, hospitality), goods or services delivered or firm orders placed for delivery in the current biennium. |

Commitments may be incurred in the current biennium against future years' budgets. These are recorded as forward commitments and reflected in note 18.

Certain flexibility provisions may be applied to expenditure. In any given year, expenditure may exceed an approved project budget for that year by \$20,000 or 4 per cent thereof, whichever is the higher, provided the executing agency does not incur overall expenditures for that year in excess of 2 per cent of the total allocations made to it. In addition, executing agencies are also authorized, for an experimental period of three years beginning 1 July 1987 (extended an additional two years in 1990), to record obligations in any year up to 20 per cent of the project budget of the following year. This arrangement continues, pending ratification by the Governing Council.

(c) Agency support costs and technical support services

Agency Programme Support Costs denotes the percentage of total project costs authorized by the Governing Council for payment to the executing and cooperating agencies and implementing agents to reimburse them for costs incurred in the administration (technical and otherwise) of UNDP-financed projects. These support costs are based on total annual programme expenditure. Certain specialized agencies are under flexibility arrangements and hence the support costs payable to them are dependent on their total annual programme expenditure in respect of UNDP-financed projects. Sectoral support costs are also paid to certain agencies for provision of sectoral advice to Governments and UNDP. The level of sectoral support and the use of its resources for a given cycle are determined by the Governing Council.

The Governing Council, at its thirty-eighth session in 1991, adopted comprehensive legislation on successor arrangements to agency support costs. These arrangements are effective 1 January 1992 and they are in respect of all projects approved after that date. They will replace the previous support cost arrangements that were last revised by the Governing Council at its twenty-seventh and twenty-eighth sessions in 1980 and 1981, respectively. The major features of the new arrangements are the separation between two distinct types of technical support services, namely TSS1 and TSS2, which provide services at the programme and project level respectively, and administrative and operational support services (AOS) provided at the project level. Administrative and operational support services may be obtained from a number of different implementing agents, including agencies as well as external agents. Details of the support costs under the previous arrangements and the successor arrangements are provided in schedule 2.1.

Reimbursement for administrative operational support services applies to trust funds as well. These amounts are included under programme support costs: executing agencies on the status of funds of the trust funds. Programme support costs: UNDP denotes the percentage of total project costs as specified in the individual trust fund agreements paid to UNDP as reimbursement for costs incurred in the administration of the funds.

(d) Exchange rates

Voluntary contributions received from Governments are translated into United States dollars using the United Nations operational rate of exchange in effect on the date of payment.

Exchange adjustments arising from the receipt of contributions from Governments are recorded as increases/reductions to the contributions, and are

included in statement I. All other exchange adjustments have been recorded as net miscellaneous expenditure and are shown in schedule 1.

For the purposes of accounting for assets, liabilities and transactions, and the maintenance of other financial records, other currencies are translated into United States dollars at the United Nations operational rate of exchange in effect on the date of the report or transaction.

(e) Capital expenditure

The full cost of non-expendable equipment is charged to the UNDP biennial budget or to the appropriate project in the biennium in which it is purchased. An inventory is maintained of all non-expendable equipment (defined as items of equipment valued at \$500 or more a unit and with a serviceable life of at least five years, and items of equipment included in any special list for which formal inventory records are maintained).

(f) Commitments of the Reserve for Field Accommodation

The total amount of loan commitments reflected in schedule 7 relates to loan and investment agreements signed with the respective Governments for construction of offices and housing, as well as funds for the Household Appliances Rental Scheme and the repair and rehabilitation of housing. The Governing Council, at its thirty-seventh session in 1990, authorized the overcommitment of the Reserve by \$10 million, with the proviso that funds disbursed not exceed \$25 million at any one time.

(g) Operational Reserve

The Governing Council at its thirty-seventh session in 1990, approved a change in the basis of calculation of the UNDP Operational Reserve to 20 per cent of the estimated contributions or 20 per cent of projected expenditure, whichever is higher. Transfers to adjust the level of the reserve are reported in statement IV and note 17.

Where applicable, Operational Reserves of the trust funds are discussed in notes to the individual status of funds.

Note 2. Changes in financial statement presentation

The format of the 31 December 1993 biennial financial statements has been revised from that of the 31 December 1991 biennial financial statements in several areas. These changes, the amounts involved and the restated comparative figures as at 31 December 1991 are as follows:

Programme support costs - programme support costs on statement I, previously disclosed as one amount, are now classified as agency support costs and technical support services (1992-1993 - \$158,844,779; 1990-1991 - \$208,353,976), programme support and development activities (1992-1993 - \$89,158,966; 1990-1991 - \$61,897,099) and UNDP sectoral support costs (1992-1993 - \$14,038,198; 1990-1991 - \$10,671,968). Programme support and development activities in the biennium ended 31 December 1991 were carried forward from schedule 3 to schedule 2, and included in the programme support cost amount on statement I. They are now carried to statement I directly from schedule 3. UNDP sectoral support costs were previously disclosed separately below programme support costs on statement I.

The former schedule 2, programme expenditure, has now been divided into schedule 2, programme expenditure, and schedule 2.1, agency support costs and technical support services. In addition, the Office for Project Services is now shown separately from UNDP-other. Programme support cost expenditure relating to the Office for Project Services is disclosed and then, with the exception of support costs relating to extrabudgetary activity, eliminated in schedule 2.1. Previously, only programme support and development activities were shown as UNDP support costs.

Expert hiatus financing, extended sick leave costs, and compensation payments - these amounts, now included as miscellaneous income (net) in schedule 1 and statement I, were previously disclosed separately in statement I (1992-1993 - \$779,974; 1990-1991 - \$865,333).

Investments - investments of the Operational Reserve in the amount of \$200,000,000 (1991 - \$200,000,000) and investments of the Reserve for Field Accommodation of \$ nil (1991 - \$6,405,115) are now disclosed along with general resources and subsidiary programme investments under Investments in statement II. These amounts were previously shown separately in statement II. Activities under the Reserve for Field Accommodation of \$41,502,956 (1991 - \$18,594,885), as shown in schedule 7, remain as a separate amount in statement II.

Investments held for liabilities of the Medical Insurance Plan and unliquidated obligations of management service agreements and trust funds established by the Administrator, previously shown as general resource investments, are now disclosed as subsidiary programme investments in statement II. As a result \$104,346,614 of general resource investments were transferred to subsidiary programme investments (1991 - \$58,280,460).

These changes in presentation do not impact surplus income/(expenditure) for the biennium ended 31 December 1993, nor for the biennium ended 31 December 1991 comparative figures.

Note 3. Contributions of Governments and other contributors - UNDP Account

Contributions due from Governments and other contributors as at 31 December 1993 were as follows:

| | Voluntary contribu- tions | Voluntary contribu- tions for the Special Measures Fund for the Least Developed Countries | Cost-sharing contribu- tions | Cash- counterpart contribu- tions | Total |
|--------------------------------|---------------------------------|--|------------------------------------|--|--------------------|
| (United States dollars) | | | | | |
| 1989 and prior bienniums | 3 978 012 | 2 373 | 6 086 238 | 2 447 923 | 12 514 546 |
| 1990 | 920 186 | 4 878 | 5 869 802 | 526 143 | 7 321 009 |
| 1991 | 22 155 542 | 13 378 | 11 655 702 | 322 516 | 34 147 138 |
| 1992 | 1 613 646 | 0 | 22 720 613 | 1 369 284 | 25 703 543 |
| 1993 | <u>21 611 558</u> | <u>1 000</u> | <u>106 863 284</u> | <u>1 784 579</u> | <u>130 260 421</u> |
| Total | <u>50 278 944</u> | <u>21 629</u> | <u>153 195 639</u> | <u>6 450 445</u> | <u>209 946 657</u> |

At 31 December 1991, \$261,519,625 in contributions were due.

The amounts in respect of cost-sharing and cash-counterpart contributions are based on budgeted expenditure for the year and will be adjusted on the rephasing of these budgets.

Since UNDP accounts for its income from contributions on a cash basis, these amounts are not reflected in the contributions income shown in statement I. However, if UNDP recorded its income on an accrual basis, income from contributions for the biennium would be as follows:

| | <u>United States dollars</u> | |
|---|------------------------------|----------------------|
| | <u>1992-1993</u> | <u>1990-1991</u> |
| Voluntary contributions | 1 963 304 116 | 2 057 235 455 |
| Voluntary contributions for the Special Measures Fund for the Least Developed Countries | 42 252 | 12 830 031 |
| Cost-sharing contributions | 724 629 436 | 381 174 482 |
| Cash-counterpart contributions | <u>22 531 669</u> | <u>21 515 167</u> |
| Total | <u>2 710 507 473</u> | <u>2 472 755 135</u> |

Note 4. Unidentified contributions

Contributions received, but not identified as to purpose, are held as accounts payable until identified, at which time they are recorded as income. Of these contributions, \$5,345,499 were recorded as accounts payable at 31 December 1991 and recognized as income in the current biennium (1990-1991: \$7,300,206). At 31 December 1993, \$2,718,256 in unidentified receipts were held as accounts payable. The amount is included in note 16 (b) under miscellaneous accounts payable.

Note 5. Accounting linkage between voluntary contributions and contributions to local office costs

At its thirty-first session in 1984, the Governing Council authorized the establishment of a country-specific accounting linkage between voluntary contributions (including contributions to voluntary programme costs), and contributions to local office costs in such a manner that voluntary contributions are first accounted for against any shortfall in contributions to local office costs. The total amount of \$9,858,087, which was transferred from voluntary contributions (statement I) in respect of such linkage (1990-1991: \$11,497,092), is included in the \$34,651,905 figure in schedule 3 and shown in note 9.

Note 6. Prior biennium interest on cost-sharing contributions

Included in the amounts of \$9,296,761 in schedule 1 and \$28,082,876 in schedule 4, is \$5,444,585 representing interest earned on cost-sharing contributions in the prior biennium and transferred from UNDP general resources to UNDP extrabudgetary resources in this biennium (1990-1991: \$8,560,586).

Note 7. Allocations for accounting reserves

The Governing Council at its fortieth session in 1993, approved the proposals of the Administrator concerning the use of 1992-1993 budget savings to support a smooth implementation of the 1994-1995 budget strategy. Accordingly, the following two reserves were charged to surplus income of the 1992-1993 biennium:

(a) Reserve for transitional measures - an amount of \$7,200,000 (equivalent to the maximum of 1.5 per cent of the 1992-1993 core appropriations) to fund transitional staff costs associated with the timing of separations, training, system development and other related costs.

(b) Reserve for budgeted separations - an amount of \$6,359,000 to cover actual costs of separation agreements themselves which were reached but not fully completed during 1993.

The reserves were set up out of the \$41,791,467 unencumbered balance of the 1992-1993 UNDP biennial budget as shown in schedule 3.

The allocations for these reserves are presented in statement I and the reserves themselves in statement II. Expenditures relating to the purpose for which the reserves were set up will be charged against them during the 1994-1995 biennium.

Note 8. UNDP programme support costs

The Office for Project Services during 1992-93 earned programme support cost income of \$36,370,047 as an executing agency on UNDP-funded projects; of \$1,777,726 as a cooperating agency on nationally-executed UNDP-funded projects; and of \$686,942 as an associated agency on UNDP-funded projects. The related UNDP programme support cost expenditure is shown in schedule 2.1.

Of this income, the Office for Project Services earned \$111,517 on UNDP-funded projects under government cash counterpart contributions, and \$8,686,097 on UNDP-funded cost-sharing projects. As extrabudgetary activity, \$1,944,223 was transferred to become part of UNDP field office extrabudgetary income of \$28,082,876 as shown in schedule 4, with the remaining \$6,741,874 included in Office for Project Services extrabudgetary income of \$34,049,748 also in schedule 4. All other income, net of \$1,403,380 paid by the Office for Project Services to other associated agencies on OPS-executed UNDP-funded projects, was eliminated against total programme support cost expenditure as shown in schedule 2.1 and statement I.

The costs paid by the Office for Project Services for the support services provided by UNDP have been recorded in the amount of \$5,282,110 in the \$28,821,018 figure in schedule 3 and \$4,896,902 in the \$31,166,134 figure in schedule 4, as part of the total Office for Project Services costs. To the extent that part of these costs for support services may have been financed from UNDP programme support costs, expenditure would be reflected in UNDP programme support costs and extrabudgetary income and expenditure.

Note 9. Income received for the biennial budget

The amount of \$34,651,905 shown in schedule 3 and statement I for income received for the biennium ended 31 December 1993 consists of host Government cash contributions of \$33,714,886 and other income of \$937,019.

Host Government cash contributions consist of:

| | <u>United States dollars</u> | |
|--|------------------------------|-------------------|
| | <u>1992-1993</u> | <u>1990-1991</u> |
| Government local office contributions | 23 856 799 | 20 790 056 |
| Transfers from voluntary contributions | <u>9 858 087</u> | <u>11 497 092</u> |
| | <u>33 714 886</u> | <u>32 287 148</u> |

Note 10. Provision to reduce the book value of accounts receivable and deferred charges

The provision, established in 1987 to reduce the deficit in operating the FAO fisheries vessels pool, was reduced to \$537,487 to reflect the current book value of the receivable. The \$171,539 reduction is credited to the provision in statement I and the adjusted provision is shown in note 16 (a).

Note 11. Valuation of cash and investments at January 1994 United Nations operational rate of exchange

In accordance with the accounting policy disclosed in note 1 (d), cash totalling \$46,039,620 as reported in statement II, and investments totalling \$934,142,822 as reported in statement II and schedule 6, include the United States dollar equivalent of cash and investments in other currencies using the United Nations operational rate of exchange established on 1 December 1993 and in effect on 31 December 1993. At the United Nations operational rate of exchange in effect on 1 January 1994, which more closely reflects the market rate of exchange as at 31 December 1993, the value shown in the accounts would amount to approximately \$497,505 less for cash and \$851,467 more for investments (1991: \$1,400,000 more for cash and \$18,300,000 more for investments).

Note 12. Government letters of credit

The amount shown in statement II represents a letter of credit in respect of cost-sharing contributions made to UNDP by a Government covering the following:

| | <u>United States dollars</u> | |
|--|------------------------------|------------------|
| | <u>1993</u> | <u>1991</u> |
| Information on the Judicial system in Uruguay | 103 300 | 238 689 |
| Emergency Relief Unit in Sudan | 320 000 | - |
| Strengthening of the Judicial System in Uruguay | 125 900 | 50 000 |
| United Nations Emergency Relief Operations in Liberia | 499 500 | - |
| UNDP Emergency Unit to Assist Rwandans Displaced by War | 380 000 | - |
| Development of Small and Medium-Sized Technological Industries | 20 000 | - |
| Support to Humanitarian Assistance Operations in Angola | 500 000 | - |
| Support of child-survival activities in Africa | - | 419 896 |
| Regional projects in Africa | - | 1 695 000 |
| Support of international drinking water supply | - | 6 875 |
| Training in macro and micro-economics in Mongolia | - | 250 000 |
| State modernization project in Uruguay | - | 300 000 |
| Strengthening of the public sector | - | 250 000 |
| Total | <u>1 948 700</u> | <u>3 210 460</u> |

As the letter of credit is irrevocable, the amount is presented with cash and investments in statement II and is included in cost-sharing contributions as presented in statement I.

Note 13. Forward exchange contracts

UNDP held no forward exchange contracts at 31 December 1993.

Note 14. Market value of investments

The market value of bonds and notes, reported as \$205,571,628 in schedule 6 and in the \$934,142,822 figure in statement II, would amount to \$2,343,379 more if valued at market values at 31 December 1993 and converted to the United States dollar equivalent using the United Nations operational rate of exchange in effect on 1 January 1994 (as explained in note 11).

Note 15. Amounts due from/to trust funds administered by UNDP

UNDP advances funds to, and receives funds for, the trust funds that it administers. The balance of these transactions as at 31 December 1993 is shown in the financial statement relating to each trust fund (statements V to XXVII).

Note 16. Accounts receivable and payable

(a) Accounts receivable and deferred charges

The amount of \$31,991,645 as shown in statement II consists of the following:

| | <u>United States dollars</u> | |
|---|------------------------------|-------------------|
| | <u>1993</u> | <u>1991</u> |
| Advances to staff and consultants | 7 755 131 | 8 477 830 |
| Deferred charges | 4 038 350 | 5 391 274 |
| Agency receivables | 8 438 987 | 13 009 595 |
| Miscellaneous field office receivables | 12 296 071 | 19 277 422 |
| Miscellaneous accounts receivable | <u>593</u> | <u>127 365</u> |
| Subtotal | 32 529 132 | 46 283 486 |
| Less: | | |
| Provision to reduce the book value of accounts receivable | <u>537 487</u> | <u>709 026</u> |
| Total | <u>31 991 645</u> | <u>45 574 460</u> |

(b) Accounts payable

The amount of \$154,479,987 as shown in statement II consists of the following:

| | <u>United States dollars</u> | |
|---|------------------------------|--------------------|
| | <u>1993</u> | <u>1991</u> |
| Amounts received in respect of other United Nations organizations' programmes | 6 295 330 | 9 980 646 |
| Unliquidated obligations of the biennial budget and extrabudgetary activities | 23 988 938 | 17 222 773 |
| Unliquidated obligations for management service agreements | 78 328 024 | 49 208 710 |
| Medical Insurance Plan Fund | 6 293 333 | 3 986 030 |
| Insurance proceeds in respect of the air crash in the United Republic of Tanzania | 147 693 | 186 871 |
| Miscellaneous field office payables | 10 298 131 | 11 919 099 |
| Miscellaneous accounts payable | <u>29 128 538</u> | <u>27 349 595</u> |
| Total | <u>154 479 987</u> | <u>119 853 724</u> |

Note 17. Operational Reserve

In accordance with the 1990 decision of the Governing Council as stated in Note 1 (g), additional investments of \$10 million were transferred to the Operational Reserve and invested on its account in 1992. In 1993 the reserve was reduced by the same amount to maintain the required level.

The balance of the reserve (1993 and 1991: \$200,000,000) is shown in statement II and details of the investments are given in schedule 6.

Note 18. Unspent allocations and future commitments

(a) Unspent allocations

Unspent allocations issued against resources of the UNDP account as at 31 December 1993 amounted to approximately \$667 million, against which forward commitments reported by executing agencies were approximately \$125 million.

(b) Leasehold commitments

Future leasehold commitments against the resources of the UNDP account at 31 December 1993 amount to \$14,750,395 for field office lease agreements and \$59,366,000 for headquarters' lease agreements.

Note 19. Contingent liabilities

(a) Termination benefits

The contingent liability resulting from the termination benefits that UNDP will be required to pay to its staff members in future bienniums is estimated, at 31 December 1993, to be \$21,502,369 with respect to repatriation grants and \$3,564,327 with respect to termination indemnity (1991: \$18,248,779 and \$2,890,984, respectively).

(b) Air crash in the United Republic of Tanzania

On 5 December 1980, four UNDP staff members died in an air crash in the United Republic of Tanzania. As a result, UNDP received insurance proceeds totalling \$623,948 from which it pays compensation to the beneficiaries of the air crash victims. The balance of proceeds at 31 December 1993 total \$147,693. Upon depletion of these proceeds, compensation payments will be reported as expenditure against the budget of the biennium to which the payments relate.

Note 20. United Nations Capital Development Fund

(a) The amount of \$104,566,178 shown as project costs of general resources includes credit adjustments to prior bienniums of \$1,109,121. The amount of \$3,088,878 shown as programme support costs of general resources includes credit adjustments to prior bienniums of \$67,996.

(b) The Governing Council, at its thirty-eighth session in 1991, approved the establishment of technical support budgets. In line with this decision, technical support costs incurred by the Fund in 1992-1993 in the amount of \$1,982,106 are shown separately in statement V.

In prior bienniums, these costs were deducted from the extrabudgetary account. In 1990-1991, the extrabudgetary account was reduced by \$1,820,339 representing technical support costs incurred in 1990-1991.

(c) The amount of \$11,446,407 (1991: \$8,042,856) shown as loans to Governments in statement V represents the total outstanding loans made by the Fund to the Governments of Botswana and Nepal. It consists of the following:

| <u>Recipient</u> <u>country</u> | <u>Project</u> <u>number</u> | <u>Loan</u> <u>amount</u> | <u>Repayments</u> | <u>Outstanding loan amount</u> | |
|------------------------------------|---------------------------------|------------------------------|--------------------|--------------------------------|------------------|
| | | | | <u>1993</u> | <u>1991</u> |
| | | | | (in United States dollars) | |
| Botswana | BOT/87/CO2 | 5 000 000 | (1 428 571) | 3 571 429 | 5 000 000 |
| | BOT/87/CO5 | 4 699 000 | - | 4 699 000 | - |
| | BOT/87/CO6 | 2 740 000 | - | 2 740 000 | 2 740 000 |
| Nepal | NEP/85/CO1 | <u>508 641</u> | <u>(72 663)</u> | <u>435 978</u> | <u>302 856</u> |
| | | <u>12 947 641</u> | <u>(1 501 234)</u> | <u>11 446 407</u> | <u>8 042 856</u> |

These loans are repayable over a period of 10 years.

(d) The amount of \$2,985,701 (1991: \$541,931) shown on statement V as extrabudgetary account represents the unspent balance as at 31 December 1993 of amounts charged to UNCDF projects for its indirect costs. The status of this account is as follows:

| | <u>United States dollars</u> | |
|--|------------------------------|--------------------|
| | <u>1993</u> | <u>1991</u> |
| Balance as at 1 January | 541 931 | 1 335 351 |
| Amounts charged to UNCDF projects during the biennium | 4 953 150 | 3 716 981 |
| Contributions from the Government of Norway towards Tokyo Forum Conference | <u>500 000</u> | <u>-</u> |
| | 5 995 081 | 5 052 332 |
| Amounts utilized during the biennium | <u>(3 009 380)</u> | <u>(4 510 401)</u> |
| Balance as at 31 December | <u>2 985 701</u> | <u>541 931</u> |

(e) The Governing Council, at its twenty-sixth session in 1979, approved the establishment of an operational reserve at the level of at least 20 per cent of project commitments and contingent liabilities for guarantees entered into by the Fund in respect of bank loans to Governments (excluding sub-trust fund and cost-sharing arrangements). In line with this decision, the operational reserve was adjusted to \$55.9 million in 1993 (1991: \$58.9 million).

(f) The partial funding system was originally approved by the Governing Council in 1979, at its twenty-sixth session. At its thirty-fourth session in 1987, the Governing Council reviewed the system and modified the formula for calculating the allowable ceiling of outstanding allocations to be the sum of liquid resources, exclusive of the operational reserve, plus five years of anticipated voluntary contributions.

In line with this decision, actual project allocations of \$80.2 million were made in 1992-1993 (excluding cost-sharing arrangements and sub-trust funds). As shown in footnote a/ of statement V, total unspent allocations as at 31 December 1993 amounted to \$239.2 million (1991: \$294.1 million) of which \$160.3 million is in excess of resources. The partial funding system allows a maximum of \$267.0 million outstanding future allocations.

(g) Allocations in excess of resources were issued on the basis of contributions receivable from Governments in the amounts of \$.3 million and \$6.9 million for cost-sharing arrangements and sub-trust funds respectively. These amounts are included in the contributions receivable of \$7.6 million shown in the footnote to statement V and detailed in note 31.

Note 21. United Nations Revolving Fund for Natural Resources Exploration

(a) This amount includes replenishment income from mining activities from the Government of the Philippines in the amount of \$4,150 (1990-1991: Nil).

(b) The amount of \$1,701,803 (1990-1991: \$4,492,939) shown in statement VI includes pre-project expenditure in the amount of \$127,085 credit adjustment (1990-1991: \$701,779).

(c) Technical support costs incurred by the Fund are integral parts of project budgets and are not part of biennial budget expenditure. In prior bienniums, these costs were shown as part of project costs. However, at its thirty-eighth session in 1991, the Governing Council approved the establishment of technical support budgets. In line with this decision, technical support costs for 1992-1993 in the amount of \$948,595 are shown separately in statement VI. For comparative purposes project costs for 1990-1991 were restated to \$4,492,939 and the amount of \$624,248 is shown as technical support costs.

(d) The amount of \$522,345 shown in statement VI as loans to Governments represents a loan made by the Fund to the Government of Congo repayable over a period of four years. This amount includes a service charge of \$13,015. In 1991, the principal amount of \$509,330 was included under accounts receivable and deferred charges. For comparative purposes, 1991 accounts receivable and deferred charges were restated to \$12,726 and the amount of \$509,330 is now shown separately as 1991 loans to Governments.

(e) The amount of \$33,178 (1991: \$30,406) shown in statement VI represents the unspent balance of funds under a management service agreement between the Government of Sweden and the Fund. The status of this account is as follows:

| | <u>United States dollars</u> | |
|---|------------------------------|----------------|
| | <u>1993</u> | <u>1991</u> |
| Balance as at 1 January | 30 406 | 511 062 |
| Income received during the biennium | <u>2 772</u> | <u>132 904</u> |
| | 33 178 | 643 966 |
| Cost of services provided during the biennium | <u>-</u> | <u>613 560</u> |
| Balance as at 31 December | <u>33 178</u> | <u>30 406</u> |

Note 22. United Nations Trust Fund for Sudano-Sahelian Activities

(a) The amount of \$913,487 (1991: \$2,023,627) shown in statement VII represents the balance in respect of management service agreements between donor countries and the Fund. The status of income received and expenditure incurred for the biennium 31 December 1993 is as follows:

| Source of funding | Recipient country | Balance 1 January 1992 | Income received | Income transferred | Cost of services provided | Unencumbered balance 31 December 1993 |
|-------------------------|-------------------|------------------------|------------------|--------------------|---------------------------|---------------------------------------|
| (United States dollars) | | | | | | |
| Sweden | Burkina Faso | 711 426 | 1 227 420 | - | (1 589 885) | 348 961 |
| Sweden | Niger | 713 373 | 343 187 | (117 740) | (616 052) | 322 768 |
| Sweden | Senegal | <u>598 828</u> | <u>1 072 377</u> | <u>(118 443)</u> | <u>(1 311 004)</u> | <u>241 758</u> |
| | | <u>2 023 627</u> | <u>2 642 984</u> | <u>(236 183)</u> | <u>(3 516 941)</u> | <u>913 487</u> |

(b) The amount of \$542,517 (1991: \$379,288) shown on statement VII represents the balance due from UNEP for institutional support and programme support in respect of the Plan of Action to Combat Desertification in the Sudano-Sahelian region. The status of contributions received and expenditure incurred for the biennium 31 December 1993 is as follows:

| | Institutional support | Programme support | Total | |
|---|-----------------------|--------------------|--------------------|--------------------|
| | | | 1993 | 1991 |
| (United States dollars) | | | | |
| Balance as at 1 January | (92 293) | (286 995) | (379 288) | 121 568 |
| Contributions received for the biennium | | | | |
| From UNEP | 1 068 500 | 1 085 370 | 2 153 870 | 1 460 861 |
| From UNDP | <u>915 460</u> | <u>1 205 408</u> | <u>2 120 868</u> | <u>1 961 717</u> |
| | <u>1 983 960</u> | <u>2 290 778</u> | <u>4 274 738</u> | <u>3 422 578</u> |
| Expenditure incurred for the biennium | | | | |
| By UNEP | (915 461) | (1 401 638) | (2 317 099) | (1 961 717) |
| By UNDP | <u>(915 460)</u> | <u>(1 205 408)</u> | <u>(2 120 868)</u> | <u>(1 961 717)</u> |
| | <u>(1 830 921)</u> | <u>(2 607 046)</u> | <u>(4 437 967)</u> | <u>(3 923 434)</u> |
| Balance due from UNEP as at 31 December | <u>60 746</u> | <u>(603 263)</u> | <u>(542 517)</u> | <u>(379 288)</u> |

The UNDP share of the joint-venture expenditure for the biennium 1992-1993 on institutional support of \$915,460 is included in the amount of \$2.0 million shown as programme support in schedule 3. The UNDP share of the joint-venture

for the biennium 1992-1993 expenditure on programme support of \$1,205,408 is included in the amount of \$5.8 million shown as UNDP-other in schedule 2.

UNSO has entered into an agreement with UNEP to include future year commitments in 1993 amounting to \$262,210.

(c) The amount of \$213,709 (1991: \$710,244) shown on statement VII as extrabudgetary account represents the unspent balance as at 31 December 1993 of amounts received from non-core activities. The status of this account is as follows:

| | <u>United States dollars</u> | |
|---|------------------------------|--------------------|
| | <u>1993</u> | <u>1991</u> |
| Balance as at 1 January | 710 244 | 522 407 |
| Amount charged to sub-trust funds during the biennium | 278 442 | 313 029 |
| Interest income from cost-sharing resources | 556 786 | 680 805 |
| Amount transferred from management service agreements | 61 633 | 183 177 |
| Amount transferred from UNSO general resources | <u>-</u> | <u>80 000</u> |
| | 1 607 105 | 1 779 418 |
| Amounts utilized during the biennium | <u>(1 393 396)</u> | <u>(1 069 174)</u> |
| Balance as at 31 December | <u>213 709</u> | <u>710 244</u> |

(d) Allocations in excess of resources were issued on the basis of contributions receivable from Governments in the amounts of \$12.4 million for cost-sharing and \$3.1 million for sub-trust funds. These amounts are included in the contributions receivable amount of \$15.8 million shown in the footnote to statement VII and detailed in note 31.

Note 23. United Nations Volunteers programme

(a) The Governing Council, at its thirty-ninth session in 1992, revised the guidelines for the use of the Special Voluntary Fund and the procedures for recovery of external costs. It was decided that except in situations where special financing is available, the external costs of volunteers will be charged fully to project budgets on the basis of a pro forma cost. Any difference between pro forma costs and actual costs will be absorbed by the Special Voluntary Fund. During the biennium, external costs totalling \$9,697,182 (1991: \$7,685,174) were recovered and credited as income of the Fund.

It was also decided that the income accruing to the Special Voluntary Fund, from voluntary contributions and interest income, be utilized to meet expenditures for pilot and experimental projects, briefing of UNV specialists and the training of Domestic Development Services country specialists and field workers, special recruitment campaigns, and other projects of similar nature.

Prior to this decision, 85 per cent of the income accruing to the Special Voluntary Fund was used to meet external costs of volunteers. Project budgets were charged an assessed amount to cover external costs that were not met by the Special Voluntary Fund.

(b) The amounts of \$137,583 (1991: deficit of \$95,360) and of \$3,611,733 (1991: \$1,358,345) shown in statement VIII, represent unspent balances as at 31 December 1993, of resources provided by UNHCR and by donor Governments for the financing of specific projects. The status of these accounts is as follows:

| | Office of the United Nations High Commissioner for Refugees | | Donor Governments | |
|---|--|--------------------|--------------------|--------------------|
| | (United States dollars) | | | |
| | <u>1993</u> | <u>1991</u> | <u>1993</u> | <u>1991</u> |
| Balance as at 1 January | (95 360) | (58 299) | 1 358 345 | 774 632 |
| Income received during the biennium | <u>1 021 045</u> | <u>1 125 439</u> | <u>6 359 438</u> | <u>3 265 548</u> |
| | 925 685 | 1 067 140 | 7 717 783 | 4 040 180 |
| Expenditure incurred during the biennium | <u>(788 102)</u> | <u>(1 162 500)</u> | <u>(4 106 050)</u> | <u>(2 681 835)</u> |
| Balance as at 31 December | <u>137 583</u> | <u>(95 360)</u> | <u>3 611 733</u> | <u>1 358 345</u> |

The unspent balance of US\$ 3,611,733 (1991: \$1,358,345) from donor Governments represents advances to meet costs for current volunteer assignments, and hence is not available for further programming.

(c) The amount of \$2,102,340 (1991: \$556,436) shown in statement VIII as extrabudgetary account represents the unspent balance as at 31 December 1993 of amounts received from non-core activities. The status of this account is as follows:

| | <u>United States dollars</u> | |
|--|------------------------------|-----------------------|
| | <u>1993</u> | <u>1991</u> |
| Balance as at 1 January | 556 436 | 38 513 |
| Income received during the biennium | <u>2 735 312</u> | <u>622 294</u> |
| | 3 291 748 | 660 807 |
| Expenditure incurred during the biennium | <u>1 189 408</u> | <u>(104 371)</u> |
| Balance as at 31 December | <u><u>2 102 340</u></u> | <u><u>556 436</u></u> |

(d) The amount of \$9,116,377 (1991: \$5,435,173) recorded as unspent allocations represents estimated commitments in respect of repatriation travel and resettlement allowances for serving volunteers at 31 December 1993.

(e) Allocations in excess of resources were issued on the basis of contributions receivable from Governments in the amount of \$0.8 million for sub-trust funds. This amount is included in the contributions receivable amount of \$1.1 million shown in the footnote to statement VIII and detailed in note 31.

Note 24. United Nations Fund for Science and Technology for Development

(a) The amount of \$11,689 (1991: \$65,356) shown in statement IX as extrabudgetary account represents the unspent balance as at 31 December 1993, of amounts charged by the Fund to its sub-trust funds as support costs. The status of this account is as follows:

| | <u>United States dollars</u> | |
|--|------------------------------|------------------|
| | <u>1993</u> | <u>1991</u> |
| Balance as at 1 January | 65 356 | 931 |
| Income received during the biennium | <u>86 299</u> | <u>233 626</u> |
| | 151 655 | 234 557 |
| Expenditure incurred during the biennium | <u>(139 966)</u> | <u>(169 201)</u> |
| Balance as at 31 December | <u>11 689</u> | <u>65 356</u> |

(b) The amount of \$59,935 (1991: \$60,149) shown in statement IX as unexpended resources under extrabudgetary activities, represents the unspent balance of a contribution from a donor Government to cover costs for activating pledges in kind from the private sector.

(c) Allocations in excess of resources were issued on the basis of contributions receivable from Governments in the amount of \$52,556 for cost-sharing. This amount is included in the contributions receivable amount of \$758,820 shown in the footnote to statement IX and detailed in note 31.

Note 25. UNDP Trust Fund for the Nationhood Programme of the Fund for Namibia

The amount of \$60,588 shown as accounts payable in statement X represents interest income of \$32,813 earned by the fund in 1991 and \$27,775 earned in the current biennium. These amounts are payable to the United Nations in accordance with the guidelines established for the operation of the funds.

Note 26. United Nations Development Fund for Women

(a) The Governing Council, at its thirty-eighth session in 1991, approved the establishment of technical support budgets. In line with this decision, technical support costs incurred by the Fund in the amount of \$1,185,613 (1990-1991: \$1,261,722) are shown separately in statement XI.

(b) The amount of \$16,197 (1991: \$16,197) shown in statement XI represents funds received under a management service agreement between the Government of Italy and the Fund.

(c) The Governing Council, at its thirty-fifth session in 1988, approved the establishment of an operational reserve set at the level of 45 per cent of outstanding recommended project approvals and unspent allocations. At its thirty-seventh session in 1990, the level of the operational reserve was reviewed and the basis of calculation was revised. The level of operational reserve is set using a sliding percentage scale applied to the Fund's forward commitments for a period of three years. Based on this calculation, the operational reserve was adjusted to \$5.1 million in 1993 (1991: \$6.2 million).

(d) Allocation in excess of resources were issued on the basis of contributions receivable from Governments in the amounts of \$0.9 million and \$1.6 million for cost-sharing and sub-trust funds respectively. These amounts are included in the contributions receivable amount of \$2.5 million shown in the footnote to statement XI and detailed in note 31.

Note 27. Trust Fund for the Training in the Russian Federation of Specialists from Developing Countries

The amount shown as miscellaneous income/(expenditure) in statement XIII, consists of the following:

| | <u>United States dollars</u> | |
|--|------------------------------|--------------------|
| | <u>1992-1993</u> | <u>1990-1991</u> |
| Net adjustments on revaluation of balances held in roubles | (469 604) | (2 421 503) |
| Other adjustments on exchange gains/losses | - | (1 946) |
| Miscellaneous income/expense from accounts of executing agencies - net | (8 087) | (70 840) |
| Adjustments to prior biennium's miscellaneous expenditure | <u>380 389</u> | <u>-</u> |
| Total | <u>(97 302)</u> | <u>(2 494 289)</u> |

Note 28. Pérez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries

Of the unencumbered funds of \$5.9 million (1991: \$5.5 million) shown in statement XVI, \$5 million is held in perpetuity in accordance with the General Assembly's decision at its forty-first session in 1986. It was also decided that only interest earnings from the Fund's investments will be available for programming.

Note 29. Trust Fund for the Global Environment Facility

Allocations exceeding resources were issued on the basis of letters of commitments from the World Bank confirming allocations of \$200 million to UNDP.

Funds are remitted by the World Bank as required by UNDP. To date, a total of \$65.7 million has been received.

Note 30. Trust Fund for Environmental Conservation in Bhutan

Of the unencumbered funds of \$10.4 million, \$9.2 million is held as investments of the Fund as shown in statement XXII. In accordance with the guidelines set up for the operations of the Fund, programme activities will be funded from a portion of the interest earnings from these investments. The guidelines state further that the Fund's investments should not fall below \$8.5 million.

Note 31. Contributions due from Governments and other contributors for trust funds administered by UNDP as at 31 December 1993

| | United Nations Capital Development Fund | United Nations Revolving Fund for Natural Resources Exploration | United Nations Trust Fund for Sahelian Activities | United Nations Volunteers Programme | United Nations Science and Technology Development | United Nations Development Fund for Women | UNDP Energy Account | Trust Fund for the Training in the Russian Federation of Specialists from Developing Countries | Trust Fund for Emergency Assistance to the People's Republic of Mozambique | Trust Fund for the Global Environment Facility |
|--|---|---|---|-------------------------------------|---|---|---------------------|--|--|--|
| <u>Voluntary contributions</u> | | | | | | | | | | |
| 1989 and prior bienniums | 316 534 | 40 504 | 147 179 | 193 691 | 423 311 | 117 978 | 500 | - | - | - |
| 1990 | 31 189 | - | 11 351 | - | 123 516 | 8 651 | - | - | - | - |
| 1991 | 16 590 | 4 000 | 262 183 | 5 676 | 24 126 | 5 890 | - | 804 725 | - | - |
| 1992 | 24 000 | - | 1 000 | 10 500 | 26 642 | 12 567 | - | - | - | - |
| 1993 | 10 927 | 2 000 | 8 000 | 17 473 | 35 092 | 75 055 | - | - | - | - |
| Total | 399 240 | 46 504 | 429 713 | 227 340 | 632 687 | 220 141 | 500 | 804 725 | - | - |
| <u>Cost-sharing contributions</u> | | | | | | | | | | |
| 1992 and prior bienniums | 305 000 | - | 2 452 788 | - | 44 002 | 85 849 | 937 710 | - | 161 241 | 671 141 |
| 1993 | - | - | 9 907 189 | - | 8 554 | 568 182 | 196 500 | - | - | 1 006 711 |
| Total | 305 000 | - | 12 359 977 | - | 52 556 | 654 031 | 1 134 210 | - | 161 241 | 1 677 852 |
| Total voluntary and cost-sharing contributions | 704 240 | 46 504 | 12 789 690 | 227 340 | 685 243 | 874 172 | 1 134 710 | 804 725 | 161 241 | 1 677 852 |
| <u>Contributions to sub-trust funds</u> | | | | | | | | | | |
| 1992 and prior bienniums | 6 928 791 | - | 113 033 | 840 000 | 73 577 | 1 601 316 | - | - | - | - |
| 1993 | - | - | 2 943 963 | - | - | - | - | - | - | - |
| Total | 6 928 791 | - | 3 056 996 | 840 000 | 73 577 | 1 601 316 | - | - | - | - |
| Total contributions due | 7 633 031 | 46 504 | 15 846 686 | 1 067 340 | 758 820 | 2 475 488 | 1 134 710 | 804 725 | 161 241 | 1 677 852 |

| | Finland/UNDP Trust Fund for the Construction of an Agro- Veterinary School in Buehishi | CIDA/UNDP Trust Fund for African Project Development Facility | UNDP Trust Fund for Namibia | Disaster Management Training Programme | Elaboration of Methods and Techniques of Operational- izing the Human Development Concept | International Development Research Centre Trust Fund for Information Management Training Series | Trust Fund for Democratisation Support and the Electoral Process in Guinea-Bissau | Trust Fund for UNDP History Project | United Nations Trust Fund for Operational Programme in Lesotho |
|---|---|---|--------------------------------------|---|--|---|---|--|--|
| Voluntary contributions | | | | | | | | | |
| 1989 and prior bienniums | - | - | - | - | - | - | - | - | 118 343 |
| 1990 | - | - | 10 811 | - | - | - | - | - | - |
| 1991 | - | - | - | 43 767 | 17 635 | - | - | - | - |
| 1992 | - | - | - | - | - | 11 696 | 38 462 | 26 042 | - |
| 1993 | 4 208 410 | - | - | - | - | - | - | - | - |
| Total | 4 208 410 | - | 10 811 | 43 767 | 17 635 | 11 696 | 38 462 | 26 042 | 118 343 |
| Cost-sharing contributions | | | | | | | | | |
| 1992 and prior bienniums | - | 85 865 | 151 515 | - | - | - | - | - | - |
| 1993 | - | - | - | - | - | - | - | - | - |
| Total | - | 85 865 | 151 515 | - | - | - | - | - | - |
| Total voluntary and cost-sharing contributions | 4 208 410 | 85 865 | 151 515 | 43 767 | 17 635 | 11 696 | 38 462 | 26 042 | 118 343 |
| Contributions to sub-trust funds | | | | | | | | | |
| 1992 and prior bienniums | - | - | - | - | - | - | - | - | - |
| 1993 | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - |
| Total contributions due | 4 208 410 | 85 865 | 151 515 | 43 767 | 17 635 | 11 696 | 38 462 | 26 042 | 118 343 |