



**Executive Board of
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and of the United Nations
Population Fund**

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Item 6 of the provisional agenda
UNDP

UNDP: MATTERS RELATING TO THE PROGRAMMING CYCLES

"Asunción Declaration: Programming cycle of the United Nations Development Programme", declaration adopted in Asunción on 23 March 1995 by Argentina, Brazil, Chile, Paraguay and Uruguay

Note by the Administrator

1. The Administrator has been requested, in a letter of 27 March from the Permanent Mission of Argentina, that the attached declaration, entitled "Asunción Declaration: Programming cycle of the United Nations Development Programme", adopted in Asunción on 23 March 1995 by Argentina, Brazil, Chile, Paraguay and Uruguay, be circulated as an official document under item 6 of the provisional agenda of the second regular session 1995 since the commitments undertaken in Asunción are related to that item.

2. Accordingly, the Administrator has the honour to transmit the annexed declaration to the Executive Board.

Annex

ASUNCION DECLARATION

PROGRAMMING CYCLE OF THE UNITED NATIONS DEVELOPMENT PROGRAMME

The countries of the Southern Cone Common Market and Chile,

Stressing that economic and social development in the region has not yet been fully consolidated, and that the efforts made so far must be intensified if the achievements gained are not to be lost,

Declaring that the argument as to the greater relative development of the Latin American and Caribbean countries has restricted their access to cooperation at a critical moment when economic and social difficulties persist for large segments of the population, who are excluded from the benefits of economic growth,

Reaffirming the principles and guidelines for the next programming cycle of the United Nations Development Programme (UNDP), agreed on in their Buenos Aires 1/, Brasilia 2/ and Santiago 3/ declarations, as well as in decision 351 of the Latin American Council of the Latin American Economic System (LAES), 4/

Reiterating the principles that govern the negotiating process, as set forth in Executive Board decision 94/17, 5/ and stressing their link to the framework established by Executive Board decision 94/14 6/ on the future of UNDP,

Taking note with concern of the decrease in voluntary financial contributions to the system of operational activities in general and UNDP in particular, and placing on record its desire to put forth new and creative proposals that will make it possible to mobilize financial resources for the strengthening of the Programme,

1. Deem it necessary to reach full agreement with regard to the next programming cycle during the annual session of the Executive Board in June 1995. Such agreement should include pledges of voluntary contributions on an annual

1/ DP/1994/19.

2/ DP/1994/CRP.8.

3/ DP/1994/63.

4/ DP/1994/CRP.7.

5/ DP/1995/1, p. 15.

6/ DP/1995/1, p. 13.

basis which will enable countries and UNDP to plan their activities. Such annual contributions should, at least, remain at the same level in real terms as the one agreed on in 1990 (approximately US\$ 1.25 million);

2. Agree that the general programming framework for UNDP activities should be adapted to the new challenges of international economic cooperation, which imply programming strategies designed to mobilize resources on the basis of a variety of funding sources;

3. Urge the adoption of new resource distribution methodologies that will enable the Latin American and Caribbean region to continue participating in UNDP activities at least at the current level in terms of core resources;

4. Decide:

(a) To accept the three-year rolling planning scheme proposed for the framework for UNDP cooperation at the national level as from 1997;

(b) To support the integration of extrabudgetary resources from a variety of sources with core resources in the establishment of resource mobilization targets (RMT);

(c) To recommend the establishment of a ratio of 1:12 between core and extrabudgetary resources, as a criterion supplementary to the target for resource assignments from the core (TRAC) in the various programme countries;

(d) To urge that the "floor" principle be maintained at its current levels, which will enable countries to formulate their programmes through the use of a variety of funding sources;

(e) To recommend that budget lines 1.1.1 and 1.1.2 in table 1 of document DP/1995/15 be merged and assigned directly to countries;

(f) To accept the proposed increase in the intercountry programme and promote its use for activities complementary to those carried out within the framework of UNDP cooperation at the national level;

(g) To recommend the use of indicators that will ensure the application of the principles set forth in decisions 94/14 and 94/17;

(h) To propose that the graduation thresholds be raised in accordance with the principles established by the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD/DAC) for 1995;

(i) To insist on the adoption of a progressive graduation process for countries which exceed the levels established by OECD/DAC;

(j) To recommend the establishment of a ratio of 1:10 between core and extrabudgetary resources so that countries can be exempted from the reimbursability of indicative planning figures (IPFs);

/...

(k) To propose complementarity in the use of resources assigned by countries and by regions with other UNDP programmes and projects;

5. Resolve:

(a) To meet again before the annual session of the UNDP Executive Board (June 1995) in order to:

- (i) Analyse the final proposal for the programming cycle; and
- (ii) Consider the report of the meeting on the mid-term evaluation of the regional programme to be convened by UNDP on 3 June 1995;
- (b) To further coordinate its position at the following meetings:
 - (i) LAES (New York, 29 March 1995);
 - (ii) UNDP Executive Board (New York, 3-7 April 1995);
 - (iii) LAES, Meeting of National Directors of Technical Cooperation (Montevideo, 15-19 May 1995);
 - (iv) Meeting of the High-level Committee on the Review of Technical Cooperation among Developing Countries (New York, 26 May 1995);
 - (v) LAES Ministerial Meeting (July 1995).

Argentina:

(Signed) Mr. Carlos E. Zaballa
Ambassador
Assistant Secretary for International Cooperation of the Ministry of Foreign Affairs, International Trade and Worship of the Argentine Republic

Brazil:

(Signed) Mr. Sergio Arruda
Minister
Director of the Brazilian Agency for Cooperation of the Federative Republic of Brazil

Chile:

(Signed) Mr. Hamilton Aliaga Rivera
Deputy Executive Director of the Agency for International Cooperation of the Republic of Chile

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Paraguay:

(Signed) Ms. Leyla Dami de Giménez
Director of the Office for International Technical Cooperation of
the Department of Technical Planning of the Republic of Paraguay

Uruguay:

(Signed) Mr. William Ehlers
Representative of the Directorate-General for International
Assistance and Technical Cooperation of the Ministry of Foreign
Affairs of the Eastern Republic of Uruguay

Asunción, 23 March 1995
