



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

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Draft decision

96/XX. Management, accountability and the Reserve for
Field Accommodation

The Executive Board

1. Welcomes the report contained in document DP/1996/28/Add.3 and the additional information provided to the Executive Board by the Administrator and the United Nations Board of Auditors as well as the transparent and forthcoming manner in which information on the Reserve for Field Accommodation has been provided;
2. Notes with grave concern the failure of management oversight and control relating to the proper application of the Financial Regulations and Rules and the supervision of staff and contracted parties that have contributed to the problems outlined in document DP/1996/28/Add.3, concerning the Reserve for Field Accommodation;
3. Welcomes in this context the investigations, reviews and actions initiated so far by the United Nations Development Programme to strengthen financial and management control of the Reserve for Field Accommodation;
4. Requests the Administrator to take all necessary steps to ensure compliance with all Financial Regulations and Rules;
5. Further requests the Administrator to address any structural or systemic problems relating to financial control and management supervision that have come to light as part of the investigation of the Reserve for Field Accommodation as soon as possible in order to ensure that this remains an isolated incident;
6. Urges the Administrator to finalize the investigation on the management of the Reserve for Field Accommodation as soon as possible;

7. Endorses the revised accounting treatment for the Reserve for Field Accommodation and notes with concern that the overcommitment and overexpenditure will reach a level of \$62.8 million by 31 December 1996;

8. Approves the proposal of the Administrator that the activities under the Reserve for Field Accommodation in the future cover only housing premises and that office premises be handled separately, bearing in mind the need to enhance transparency of the activities covered by the Reserve for Field Accommodation and those related to office premises;

9. Reaffirms, in the context of the housing premises, the principle that, where possible, UNDP should dispose of housing units it either owns or operates under government ownership and that any future housing requirements be met together with the host country Government;

10. Requests the Administrator in collaboration with the Joint Consultative Group on Policy partners, in the context of the implementation of paragraph 44 of General Assembly resolution 50/120 on common premises, to address and find a common understanding of how to deal with outstanding contributions as well as cost-sharing, payment and ownership relating to future constructions;

11. Further requests the Administrator to report on the implementation of the present decision at the first regular session 1997.

___ September 1996
