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**REPORT OF THE STANDING COMMITTEE FOR PROGRAMME MATTERS
ON ITS IN-SESSIONAL MEETING HELD DURING THE RESUMED
THIRTY-EIGHTH SESSION OF THE GOVERNING COUNCIL**

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I. OPENING OF THE MEETING, ELECTION OF THE RAPPOREUR,
ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

1. The Standing Committee for Programme Matters held an in-session meeting during the resumed thirty-eighth session of the Governing Council, convened in New York from 16 to 19 September 1991. The fourth Vice-President of the Governing Council, Mr. Robert K. Gathungu of Kenya, served as Chairman of the Standing Committee. Mr. Ivo Sieber of Switzerland was elected Rapporteur.

2. At its first meeting, on 16 September 1991, the Standing Committee for Programme matters adopted its provisional agenda and tentative schedule of work contained in annexes I and II of document DP/1991/L.15. The Standing Committee also agreed to maintain a flexible schedule of work and to organize informal sessions on 17 September 1991.

3. One delegation expressed concern that in-session meetings of the Standing Committee for Programme Matters, such as the present one, placed developing countries at a disadvantage in view of the fact that funding was not made available for participation by their experts in the proceedings.

II. MATTERS REFERRED TO THE STANDING COMMITTEE FOR
PROGRAMME MATTERS BY THE GOVERNING COUNCIL

4. The Standing Committee for Programme Matters had before it for its consideration the following documents: report of the Administrator on Special Programme Resources: Overview and programming documents (DP/1991/64 and Add.1); Special Programme Resources: Programming document (DP/1991/64/Add.2). The Standing Committee also had before it copies of responses by the United Nations Development Programme (UNDP) on written comments submitted by one delegation on 15 of the programmes. These comments were made available to the members of the Programme and taken into consideration by the Standing Committee.

5. The session was convened to consider the proposals of the Administrator regarding the allocation of resources under the Special Programme Resources (SPR) in the context of preparations for the fifth programming cycle, including funding strategy. These proposals had been made in the light of the decision taken by the Governing Council meeting in February 1991. However, due to the late availability of the documentation, and in view of the need for further review by delegations, full discussion was postponed until the resumed thirty-eighth session.

6. Document DP/1991/64/Add.2 included funding proposals for a total of 25 programmes in six categories for a total of \$313 million, including funds for contingencies. These categories related to: (a) Disaster mitigation (four programmes, \$50 million); (b) Thematic activities (six programmes, \$115 million); (c) Other special and/or new activities (nine programmes,

\$53 million); (d) Aid coordination (three programmes, \$35 million); (e) Programme development (three programmes, \$29 million); (f) Assistance to the Palestinian people (\$15 million); and (g) Contingencies (\$16 million). A full list of these proposals is given in annex I of the present report.

III. REVIEW OF PROGRAMME PROPOSALS

Summary of the introductory discussion in the Committee

7. Twenty-three delegations made statements during the first meeting, giving their views on the Special Programme Resources (SPR) proposals, which can be summarized as follows.

8. With regard to the presentation of the programming document, some delegations remarked that the programme proposals varied greatly in quality and scope, and that they did not all follow the guidelines agreed upon at the special session of the Governing Council in February 1991. The need for a general introduction was stressed, together with a brief summary of the objectives and criteria of the SPR. Particular concern was expressed over the need to improve the assessments of prior experience for each programme during the fourth cycle and to draw lessons of experience for the fifth cycle. Some delegations expressed their concern about the fact that the programming documents for three sub-categories (i.e. social dimension of adjustment, transfer of technology and TCDC) were not available at the current session and would need to be reviewed by the Standing Committee for Programme Matters at its meeting in February 1992.

9. Many delegations discussed the role of the SPR, stressing that they should be of a catalytic nature and could be used in a flexible way as seed money to carry out innovative and experimental initiatives, which should then be followed up through other sources of funding. They should facilitate resource mobilization and be complementary to the country, regional and interregional indicative planning figures (IPFs). Clearer focus and a more strategic approach was thus required to ensure that specific and realistic objectives were chosen for the limited resources available, so that once achieved, SPR resources can be reoriented to other purposes. The great value of the SPR as a coordinating tool for UNDP and Governments was also emphasized.

10. Some delegations raised the question of the modalities and procedures for SPR use, stressing the need to use national resources, expertise and institutions as much as possible. At the same time, emphasis was placed on the need to use the expertise of United Nations specialized agencies as appropriate while the responsible UNDP departments should provide technical and substantive support. The role of the Bureau for Programme and Policy Evaluation (BPPE) should lie in the coordination, monitoring and evaluation of the use of the SPR. Mention was also made of the need to draw up clear criteria and procedures for the formulation and implementation of projects under the SPR. Some delegations stressed the fact that SPR funds should not be used for administrative expenses.

11. Many delegations stressed the need for close monitoring and evaluation, so that the necessary lessons of experience are drawn, for the follow-up activities mentioned above. Suitable performance indicators should be devised. A mid-term evaluation was recommended in two or three years for each of the programmes, and for the use of the SPR as a whole.

12. The need for the eventual reallocation of resources was recognized, particularly in the light of the recommendations of the mid-term review proposed above. The possibility of transferring certain regionally focused programmes (for instance those relating to the Special Plan of Economic Cooperation for Central America (C2) and to the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 (C3)) to the respective regional IPFs was raised by one delegation.

13. The Standing Committee for Programme Matters then reviewed each of the programmes in turn.

Discussion of programme proposals and responses
of the Administration

A. Disaster mitigation (\$50 million)

Summary of the discussion in the Committee

14. UNDP made a statement, presenting its updated proposals for SPR assistance in the areas covered by this category, namely:

A1. Disaster preparedness and management	\$10 million
A2. Emergency relief	\$ 7 million
A3. Reconstruction and rehabilitation	\$18 million
A4. Refugees, displaced persons and returnees	\$ 5 million
Reserve for utilization after General Assembly adoption of guidelines	\$10 million

15. Some delegations urged a clarification of the roles of UNDP and other agencies in the different areas of disaster management, so as to avoid duplication. They also stressed the coordination role of UNDP, the need for it to build up national capacity in disaster management, and to assist in longer-term post-disaster development work. One delegation mentioned that activities should be broadened to include provision of quantitative indicators.

16. Some delegations seriously questioned the justification for the symbolic \$50,000 (A2, para. 29) provided to Resident Representatives for emergency relief, and recommended that it be reoriented towards strengthening the coordination and needs assessment role of UNDP instead of for short-term relief. However, one delegation expressed reservation about the needs

assessment role of UNDP. Further concern was expressed about relief assistance envisaged in subcategory A4. They also urged more work on evaluation of past experience and the impact of the role of UNDP. Some delegations requested that the forthcoming discussion on emergency coordination during the forty-sixth session of the General Assembly should be taken into consideration. Several delegations supported the financing of the Disaster Management Training Programme (DMTP). In this context, some delegations stressed the need to train national personnel. Moreover, some delegations made a reference to the forthcoming system-wide study for emergency response. One delegation proposed that UNDP look into the possibility of participating in the forthcoming United Nations Pledging Conference for Chernobyl. One delegation proposed the increase of the amount available for subcategory A4.

Response of the Administration

17. In reply, UNDP appreciated the support given to its efforts and agreed to incorporate the above views into the future design of its activities. It also stressed that the \$50,000 was a modest, although much appreciated instrument for both coordination and resource mobilization, and that its abolition would greatly weaken the ability of UNDP to play a significant catalytic and coordination role. UNDP agreed on the increased emphasis on its information and assessment functions, and on the coordination of the local disaster management team. It was also stressed that only half of the funding for the DMTP was taken from SPR resources. The rest was provided by bilateral donors.

B. Thematic activities (\$115 million)

B1. Poverty eradication and grass-roots participation in development (\$20 million)

Summary of the discussion in the Committee

18. A number of delegations expressed appreciation for the work undertaken under this category, and particularly for the grass-roots Partners in Development Programme, as well as the strengthening of non-governmental organizations (NGOs) through short-term interventions, and workshops. One delegation proposed that the amount allocated to the PDP be doubled. Some delegations also welcomed the parallel emphasis of UNDP in looking at poverty alleviation at the macroeconomic policy level, and indicated that UNDP had a particular comparative advantage in this area. A proposal was also made that the experience of the Social Dimension of Adjustment programme and human development initiatives be taken into account. Several delegations stressed the need to develop evaluation indicators relating to popular participation. Some delegations also stressed the need to provide SPR funding for activities of the Domestic Development Service (DDS) of United Nations Volunteers (UNV) targeted at grass-roots participation. Some delegations questioned the appropriateness of the wide range of proposed activities and suggested a clearer focus in the programme. One delegation reminded the Committee that poverty pockets also existed in middle-income countries.

Response of the Administration

19. The Administration noted that while satisfactory results had been achieved, attaining impact was a long-term process. In the uphill struggle for poverty alleviation there was no panacea in the current international economic climate. A number of major studies had been carried out recently. The studies were being reviewed so that practical lessons could be drawn. One of the primary ones was the increased need to ensure that macro-level policies were appropriate, so that multiplier effects could be maximized. SPR were considered a most important source of funding for the catalytic activities envisaged. The Administration also agreed that SPR support of DDS activities would be possible.

B2. Environmental problems and natural resources management
(\$25 million)

Summary of the discussion in the Committee

20. A number of delegations welcomed the increased emphasis on the environment given by UNDP, and considered that the forthcoming United Nations Conference on the Environment and Development (UNCED) would be very helpful for enabling developing countries to focus on national problems, needs and priorities in that area. Some delegations questioned the desirability and feasibility of a too-wide spectrum of programmes proposed and urged UNDP to sharpen its focus, while other delegations recognized the usefulness of a fairly broad programme proposal, but urged that greater precision should be given to it once UNCED conclusions and recommendations had been made. It was suggested that the mid-term review be based on the outcome of UNCED. Some delegations urged that greater emphasis should be placed on the transfer of technology as a means of alleviating environmental problems, and on promoting twinning arrangements between institutions. Concern was expressed about the apparent failure to identify the goals to be achieved under the fifth cycle in each programme. They also urged that a clearer division of labour be established between UNDP and the United Nations Environment Programme (UNEP), as well as other United Nations organizations so as to avoid duplication and maximize coordination and complementarity. The role of the proposed Youth Environment Corps vis-à-vis the United Nations Volunteer programme (UNV) and Domestic Development Service (DDS) was inquired about.

Response of the Administration

21. UNDP agreed on the desirability to review the programme following UNCED before finalizing detailed proposals in order to reflect fully the outcome in its activities. Mention was made that the new environmental management guidelines were being finalized and should serve as a useful operational tool. It was also stressed that SPR resources should be used as seed money for resource mobilization from other sources and that UNDP headquarters had established an environmental action team with focal points in all relevant

units to facilitate backstopping and coordination at the headquarters level. Close collaboration was maintained with UNEP and the need to avoid duplication was fully recognized. Work on the eventual establishment of a Youth Environment Corps would need to take this into consideration.

B3. Management development (\$40 million)

Summary of the discussion in the Committee

22. The importance of management development was stressed by some delegations, and the contributions of the Management Development Programme (MDP) were welcomed. The LDC focus was supported by several delegations. Some delegations emphasized the importance of the MDP for the implementation of major reforms in the recipient countries, including countries in transition. A specific request was made by one delegation for it to be used in facilitating the transition from centrally planned to market economies and in facilitating links between the public and private sectors. Another delegation urged that it be used to strengthen NGOs and other development institutions, and that particular benefits could be provided through promoting networking to facilitate change in management systems and practices. One delegation stated that priority should be given to those developing countries not yet benefiting from the MDP. Another delegation expressed the opposite view.

23. Caution was expressed by some delegations on the need to ensure that SPR funds be used for their supposed catalytic functions and that longer-term management assistance should be provided through the indicative planning figure (IPF) or other funds. Others stressed the need for the programme to assist in the process of strengthening national management capacity in programme implementation. In strengthening national capacities, UNDP should not use SPR funds to finance its administrative functions.

Response of the Administration

24. UNDP appreciated the support given to the programme and the results obtained to date, as documented in the recent evaluation report submitted to the Governing Council at its thirty-eighth session. With regard to coverage by the MDP of the many varied requests on its limited resources, priority would be given to countries which had not yet benefited from it and where Governments had shown a high level of commitment to management development. With additional resources becoming available during the fifth cycle, and the large number of countries which had indicated that the area of concentration was of particular priority, it was expected that IPF funding would continue or replace former SPR funding in many countries. UNDP welcomed the possibility of learning from the experience of the "Management for Change" programme of one donor, and in promoting and strengthening linkages with other headquarters units, field offices, NGOs and other management institutions.

B6. Women in development (\$8 million)

Summary of the discussion in the Committee

25. A number of delegations welcomed the increased priority given by UNDP to the area of women in development (WID), and the increased awareness of gender issues. One delegation questioned the strategy to concentrate on pilot countries and stressed the need for the UNDP WID unit to promote the gender perspective through all field offices and operational units. With regard to the use of SPR resources, delegations stressed that those resources should not be used to bolster the UNDP administrative budget. While one delegation considered it appropriate to use SPR funds for strengthening the mainstreaming capabilities of UNDP staff (training, guidelines, etc.), another delegation was against such use of SPR funds.

26. UNDP was urged by several delegations to inform itself of existing surveys done on national WID capacities by other United Nations agencies and donors, to draw on United Nations system expertise for the SPR programme, and to cooperate with relevant programmes undertaken by United Nations system WID offices. They also stressed that assistance in WID should be demand-driven and not donor-driven, and that it should concentrate on building national capacity. The delegation considered that the six activities listed in the programming document should be action-oriented and designed to achieve measurable results. One delegation queried whether a separate WID office in BPPE was still justified. Another delegation emphasized that decision-making at headquarters should take into account the views of field offices and Governments in particular. One delegation made a reference to the relatively small number of women working at the senior management level of UNDP, both at headquarters and in the field.

Response of the Administration

27. The Administration welcomed the positive remarks about the WID emphasis in UNDP. The secretariat agreed to conduct broad-based consultations with other United Nations agencies, bilateral donors, UNDP field offices, Governments and others to identify developing countries' WID capacities. United Nations system expertise in WID would be drawn upon for the design of the SPR programme and, where possible, for implementation of some of the activities. The secretariat confirmed that the SPR resources would be dedicated to building national and regional capacities and not to support the administrative budgets of UNDP or other United Nations agencies.

28. Regarding the six specific activities, it was envisaged that there would be an expansion of the scope of the activities to include things such as twinning of institutions if found appropriate. That could result in attracting other resources and support to carry on once UNDP resources were expended. The secretariat assured delegations that the decision-making process at headquarters would be, as a matter of course, informed by consultations with field offices and Governments.

C. Other special and/or new activities

C1. Human Development Report (\$5 million)

Summary of the discussion in the Committee

29. The major contribution of the Human Development Report to the intellectual debate on development was commented upon favourably by several delegations, and UNDP was commended for the significant work undertaken in that regard. Other delegations felt, however, that the 1991 Report showed some sign that UNDP was deviating from the type of work which a development organization should follow and questioned the elaboration of indicators based on dubious criteria which may not be directly linked to development. Some delegations recognized some of the methodological problems involved in such an ambitious and path-breaking exercise, and stressed that its concepts need to be widely internalized. It was also urged by some delegations that UNDP assistance should be designed so as to ensure that human development considerations are duly taken into consideration.

30. A number of delegations urged that in the preparation of future reports, the sources of reflection and intellectual inputs should be diversified so as to reflect a wider spectrum of thought on the concept of human development, including through a process of regional consultations. Some delegations questioned and recommended amplification of the success criteria of the SPR proposal (paras. 7 and 8). Other delegations remarked with concern on the apparently high cost of the Human Development Report exercise. Another delegation recommended that, since the concept of the Human Development Report was established, an annual report was no longer necessary and that, in future, emphasis should be placed on practical aspects of implementation. The report could therefore be published biannually. Another delegation suggested that the Human Development Report should be submitted for consultations before its publication.

Response of the Administration

31. UNDP reassured delegations that for future reports, sources of information and inputs were being widely diversified, according to language coverage and types of development experience (e.g., NGOs, private and public sectors, the contributions of both men and women etc.), and that regional consultations would be a standard feature of their preparation. Substantial collaboration and exchange of information within the United Nations system was also a feature of the report - for example, 25 United Nations agencies had been associated in the 1992 report.

32. It was proposed that success criteria could be expanded to include (a) the use of human development concepts and analytical tools; (b) a citation index to measure use; and (c) impact evaluation indicators to be devised. With regard to costs, the reduction of the proposal from \$8 million to \$5 million last February during the special session for this SPR sub-category

had necessitated curtailment of projection activities including dissemination of the report to target audiences in the developing countries, including universities, government entities and NGOs. The Administration stated that the Human Development Report was not an academic exercise but should be considered as a prelude to action, for which the annual choice of major themes would need to reflect priority concerns on the development agenda.

C2. Special Plan of Economic Cooperation for Central America (\$20 million)

Summary of the discussion in the Committee

33. While broadly supporting the Special Plan, the Committee discussed a number of activities which it was felt should be included in the Special Plan. Important among these were activities specifically targeted at women, activities concerned to improve governance and efforts to improve coordination among agencies to reduce duplication. Some representatives also expressed the view that the strategy of the Special Plan was too broad and should be focused on a narrower range of activities. Questions were raised concerning the rationale for funding the Special Plan from SPR rather than from the regional programme. One representative requested that attention be directed towards the linkage between tourism and the environment in order to ensure sustainable development.

Response of the Administration

34. It was pointed out that the programme document did not provide a comprehensive and detailed picture of all activities, and that under the Special Plan there were programmes focused on women as well as major efforts to ensure coordination and to reduce duplication. It was felt that governance was more appropriately addressed at the national level, and a number of ongoing activities were referred to in this sphere under the Management Development Programme. On the need for greater focus, it was stated that the strategy was a rolling scheme, in which emphases changed over time. Thus, it was not intended to undertake activities in all areas simultaneously.

35. It was also suggested that the Special Plan was not a suitable programme for funding from the regional IPF, since it was developed in very specific geopolitical circumstances and with a limited time frame. In addition, the resources available in the regional programme for Latin America and the Caribbean were very limited. The Administration affirmed its concern with the linkage between tourism and the environment and stated that mechanisms had been established to consider the linkage systematically.

C3. United Nations Programme of Action for African Economic Recovery and Development (UNPAAERD) (\$10 million)

Summary of the discussion in the Committee

36. Pending the proposed review of UNPAAERD, scheduled for late 1991, some delegations questioned the use of the totality of funds for two regional projects, namely the National Long-Term Perspective Study (NLTPS) and the African Capacity-Building Initiative (ACBI), thus leaving no resources to support other priorities of UNPAAERD which might emerge from the review. Others questioned the use of the SPR funds for these two projects and suggested that they should be financed under the regional IPF. In particular, some delegations recommended that the proposed earmarking for the costs of the ACBI secretariat in Harare should be covered by the regional IPF and not the SPR. Some delegations suggested that the title of this subcategory be changed to better reflect the activities funded.

Response of the Administration

37. UNDP replied that, in view of the limited resources, the proposal to concentrate SPR resources on two projects was justified in the sense that both were designed to play major catalytic and resource mobilization roles in the process of facilitating long-term thinking, and in strengthening the capacity of institutions which had suffered greatly from declining budgetary allocations and loss of highly qualified personnel. That also justified use of the SPR rather than the regional IPF, although in the case of ACBI, almost half the UNDP contribution would be financed under the regional programme. The Administration proposed that the question of financing of the ACBI secretariat should be reviewed and assured delegates that alternate sources of funding for UNPAAERD follow-up would be sought.

C4. Drug abuse control/crop substitution (\$5 million)

Summary of the discussion in the Committee

38. Opinions differed markedly on the question of approval of this proposal. While recognizing the importance of the theme, some delegations considered that the document contained insufficient information, particularly on the proposed activities and the monitoring and evaluation mechanisms, and that it needed substantial amplification for approval. Others, while conscious of those inadequacies, considered that the document should be considered as a programme framework and not a detailed project document, and that it was acceptable in principle and should be approved. Notwithstanding the very limited resources earmarked, in comparison with the massive value of the drug trade, the same delegations recommended early approval so as to facilitate subsequent preparatory work of more detailed proposals. Some delegations stressed that UNDP should not start separate programmes in this field but incorporate the issue of drug abuse and all its socio-economic consequences in all its relevant country programmes.

39. One delegation drew attention to General Assembly resolution S/17/2 on the restructuring of the United Nations system drug control institutions, and the substantial information given on the proposed role of these bodies in that high priority area. Given the small size of the proposed allocation and the presence of more substantial United Nations donor agencies in the drug field, particularly the United Nations Drug Control Programme (UNDCP), some delegations questioned the role of UNDP in the area, and thus of the allocation. UNDP was urged to clarify its future role, particularly vis-à-vis UNDCP.

Response of the Administration

40. The Administration reminded the Standing Committee that the small resources earmarked were designed as a catalytic input into UNDP country programming so as to highlight the need to integrate drug-related concerns into a wide spectrum of development activities, for instance, agriculture, health and education. The reasons for the lack of detail in proposed activities was that discussions were still continuing with other United Nations agencies, and that a clear inter-agency agreement on respective roles in the field was still being developed. It was agreed that the proposed activities would be reviewed in detail, in time for the special session of the Governing Council in February 1992, and that in the meantime, a portion of the earmarking should be approved so as to facilitate the necessary preparatory work.

C5. HIV/AIDS (\$5 million)

Summary of the discussion in the Committee

41. Several delegations stressed the important role UNDP has to play in this field. One delegation stressed the existence of a clear link between AIDS and development, while another delegation asked UNDP to clarify the precise links between AIDS and development, and the appropriate role of UNDP in assisting Governments to face the implications of the pandemic and urged that the Programme focus on the developmental aspect of the problem. Another delegation remarked that the document needed to be more specific in its proposals, while another indicated that too many activities were identified for the very limited funds available, and that they were inadequately focused. Greater catalytic thrust was thus required. A number of delegations stressed the importance of close collaboration with WHO/GPA and among all agencies of the United Nations system.

Response of the Administration

42. In reply, UNDP highlighted the very significant social and economic cost of the pandemic in terms of increased burdens on the affected families, especially for child care, together with loss of earning power, labour productivity, revenue from taxes and qualified personnel in all areas of society. It was emphasized that it was a health problem that had serious

implications on many areas of the economy. The multisectoral scope and coordination mandate of UNDP, particularly in the context of the WHO/UNDP Alliance, thus gave it an increasingly important role in development aspects. That has been recognized in the fact that UNDP was the largest multilateral donor to the Global Programme on AIDS (GPA), and was playing an important coordination role among agencies which were increasingly having to address the AIDS issue as it affected their respective sectors. UNDP worked closely with WHO/GPA, and all activities undertaken with SPR resources would be carried out in collaboration with WHO/GPA.

43. It was also acknowledged that the proposal did cover a large variety of activities. That was necessitated by the range of socio-economic consequences that the pandemic brought out. However, the focus or strategic thread was provided through the modality proposed for the fund, that is, that those resources be used specifically for programme development and to enhance programme effectiveness. SPR resources were thus proposed to facilitate a catalytic and innovative approach.

C7. World Conference on Education for All (\$1.33 million)

Summary of the discussion in the Committee

44. One delegation was concerned about the role of UNDP and the inter-agency collaboration process in the light of the Conference and on the apparent contradiction of an emphasis on basic learning needs, as well as its compatibility with the promotion of science and technology for different categories of the population. Another delegation noted the extremely limited resources earmarked for a very ambitious programme and wondered how much impact UNDP could actually make. Further questions were raised on the eventual desirability of transferring the proposed training components to other programmes and on the eligibility of specific countries to SPR support.

Response of the Administration

45. In reply, attention was drawn to the major inter-agency collaborative effort being maintained for the promotion of follow-up work to the Jomtien Conference on Education for All - for instance, through the periodic sponsoring agency meetings, and increasingly in the context of the new International Consultative Forum to be convened in December 1991, which would provide a framework for inter-agency consultation and dialogue concerning the integration of follow-up efforts for Education for All.

46. Information was also provided on the integration of science and technology into basic learning needs programmes and on the means of maximizing the impact of the limited resources available - for instance, through catalytic activities (workshops, meetings, consultancies, resource mobilization, etc.). Finally, some 50 actions or priorities for technical cooperation had been identified related to the Jomtien Conference follow-up, some of which would be financed by country IPFs, while others could be eligible for SPR on the basis of the catalytic criteria for those resources.

C8. Private sector development (\$4 million)

Summary of the discussion in the Committee

47. Some delegations queried the comparative advantage of UNDP in the area of private sector development, particularly in the areas of capital market development and privatization. It was recognized, nevertheless, that UNDP had had relevant experience for the creation of conducive environments for private investment and for small- and medium-scale enterprises. Further information was requested on UNDP past experience and on significant results which could highlight its particular comparative advantages in those fields. Another delegation suggested that UNDP was, in effect, providing subsidies to support private sector development, which should normally be covered by the private sector itself. Two delegations considered that review of this programme document should be postponed until after the Governing Council had had an opportunity to study the report on the subject, which the Administration had been requested to submit to the Council at its thirty-ninth session.

48. Other delegations felt that UNDP assistance to private sector development was wholly appropriate so long as Governments requested it in line with national priorities and it was used for capacity-building. It was considered that UNDP assistance could be most useful in helping to provide the appropriate policy environment so that the private sector could play its due role. One delegation expressed its concern that the programme document should not prejudice the report of the Administrator requested by Governing Council decision 91/11, to be submitted at the thirty-ninth session.

Response of the Administration

49. Clarification was given by UNDP that its primary responsibility was to help Governments make the private sector more efficient and to facilitate the development of an enabling environment. Assistance to capital market development should not be considered as a subsidy, since UNDP's assistance would be provided in the form of advice to Governments to enable them to fulfil their responsibilities, either to establish capital markets or to help them work more efficiently. In that respect, UNDP neutrality could be seen as a comparative advantage.

50. It was acknowledged that the involvement of the agencies, particularly the International Labour Organisation (ILO) and the United Nations Industrial Development Organization (UNIDO) in the recent private sector initiatives had been relatively weak, but it was stressed that they had been executing agencies for many past projects related to private sector development, particularly relating to small- and medium-scale enterprises/industries.

C9. Non-governmental organizations (NGOs) (\$1.33 million)

Summary of the discussion in the Committee

51. One delegation sounded a note of caution of the dangers of NGOs becoming excessively dependent on international assistance to the extent that they might become separated from their primary vocations and lose their uniqueness. A middle way was thus required which would enable them to retain their identity as well as benefit from whatever UNDP might have to offer. Another delegation was pleased at the response to its written comments, and recommended that it be incorporated into the programming document. Particular appreciation was expressed on the proposals for participatory evaluation. It was nevertheless recommended that UNDP should be constantly alert to the need to progressively phase out assistance to NGOs.

52. A recommendation was also made that UNDP could make a contribution in the area of management development relating to NGOs and that it would be worth considering assistance to regional NGOs, as well as with credit unions and cooperatives.

Response of the Administration

53. UNDP shared the concerns expressed above about the dangers of excessive dependency on larger-scale sources of assistance. UNDP's priority was thus to urge NGOs to identify their needs and to do strategic planning. In the process, UNDP had not phased out since long-term support to NGOs was not normally provided. Instead the emphasis was on the provision of short-term punctual support in the form of management support workshops, on both a regional and national basis. Thus, management training received high priority.

54. With respect to assistance to NGOs involved in credit and cooperatives, it was considered that other more specialized organizations were better placed to assist in those areas, and that management training specific to the special requirements of NGOs was being developed by several institutions and would be utilized for those activities.

D. Aid coordination (\$35 million)

D1. NaTCAPs, round-table meetings and UNDP support to consultative group meetings (\$25 million)

Summary of the discussion in the Committee

55. Concern was expressed at the heterogeneous nature of the programme and the fact that round-table and consultative group meetings were primarily concerned with resource mobilization, while NaTCAPs were more concerned with longer-term capacity-building. It was thus proposed that this subcategory be divided into two sections: national capacity-building in policy formulation and coordination (NaTCAPs), and aid coordination exercises (round-tables,

consultative group meetings). One delegation stressed that emphasis in aid coordination should be placed on strengthening the Government's capacity in that area, rather than that of UNDP. The primary role of Governments in the process should not be taken over by UNDP.

Response of the Administration

56. UNDP endorsed the above suggestion to divide the subcategory into two sections. It had, in fact, suggested a financial breakdown between round-table and consultative group meetings and NaTCAP programmes on a fifty-fifty basis in its response to the comments of one delegation. This is reflected in the proposed earmarkings contained in the annex to the present document.

D2. Others, e.g. needs assessment, country programme reviews (\$5 million)

Summary of the discussion in the Committee

57. Discussion on the programme was combined with that on the programme for subcategory D1 described above.

Response of the Administration

58. As indicated above, the proposal to include the NaTCAP component into the programme for subcategory D2 was accepted. Fifty per cent of the financial allocations would be required for the NaTCAPs and the other 50 per cent would be programmed for round-table and consultative group meetings, etc.

D3. Country programming initiatives

Summary of the discussion in the Committee

59. The response to the written comments by one delegation on the programme was accepted by that delegation. However, a certain contradiction was apparently still highlighted between the handling of the six areas of capacity-building, and the programme approach, and should be reviewed. It was also noted that the title of the programme was somewhat misleading since, in fact, it referred mainly to programming rather than country programming initiatives. One delegation remarked on the continual lack of clarification about the definition of the programme approach, for which a request was made so that the Governing Council could be better informed.

Response of the Administration

60. The Administration stated that the six areas of capacity-building should be applied as far as possible to all areas of concentration in country programmes. Those, in turn, should reflect government priorities. It was

also mentioned that considerable progress had been made in clarifying both the concept and the operational implications of the programme approach through a recent Workshop on the Programme Approach which was held in Santiago, Chile from 5 to 9 August 1991 and on which the results had been sent to field offices.

61. SPR resources were urgently required to fund pilot efforts in developing programmes at the country level, aimed at advancing more effective programming at the country level. It was stressed that the programmes formulated under subcategory D3 would not only contribute to a sharpening of the concept of the programme approach but also initiate the application of such an approach in all countries.

E. Programme development (\$29 million)

E1. Project development facility (PDF) (\$15 million)

Summary of the discussion in the Committee

62. One delegation remarked on the apparent overlap between the purpose of the PDF and the TSS-2 category under the new support cost arrangements, and urged that clarification be included in the programme document. Thought should also be given to the needs of monitoring and evaluation. Several delegations suggested that the programming document should also include the provision already included in the 1991 support costs decision, that PDF is available to finance agency project design assistance.

Response of the Administration

63. It was clarified that the PDF should be for project development and design, while the TSS-2 was designed for monitoring purposes. It was agreed to include this clarification in the document.

E2. Programme evaluation and training (\$7 million)

Summary of the discussion in the Committee

64. One delegation gave full endorsement of the programme, for subcategory E2, mentioning that it conformed closely to the guidelines. It also recommended that some thought should be given to the question of monitoring and evaluation aspects of the SPR subcategories. Another delegation proposed that UNDP should prepare a longer-term evaluation strategy, to be implemented through an evaluation committee.

Response of the Administration

65. UNDP proposed to submit a report on an evaluation strategy to the Governing Council at its thirty-ninth session (1992). On the question of monitoring and evaluation of other programmes, it was mentioned that the main document provided details on the subject.

E3. Programme research (\$7 million)

Summary of the discussion in the Committee

66. Concern was expressed by some delegations on the understanding they had derived from paragraph 5 of the programming document, that UNDP staff might be financed by the SPR for sabbaticals to participate in the research programme. It was also stressed that UNDP should try to strengthen networking, learning from experience, and diffusing results of research already undertaken, rather than initiating major new research activities and potentially duplicating the work of others. Another delegation emphasized the need to put particular attention on using regional or thematic institutions, for instance, the United Nations International Research and Training Institute for the Advancement of Women (INSTRAW) and the United Nations Research Institute for Social Development (UNRISD).

Response of the Administration

67. Clarification was given that it was not the intention that staff on sabbatical would be financed from the SPR, but rather that staff available for short periods, for instance between assignments, might be able to contribute to the type of research programme proposed. Furthermore, it was acknowledged that the terminology of the programme title was potentially misleading, since it was designed more for programme analysis, with a view to feeding back the lessons of experiences, rather than carrying out research per se. UNDP also wanted to build up its own intellectual and research capacities in the process, but at no cost to the SPR. For instance, regional institutions benefiting from SPR assistance could also help to strengthen UNDP field offices in their respective areas of competence.

F. Assistance to the Palestinian people (\$15 million)

Summary of the discussion in the Committee

68. One delegation wished to postpone comments on the programme until the recommendations of a proposed independent evaluation had been completed in late 1991. Another stressed that such a postponement would not be advisable, given the particular sensitivities of UNDP assistance in favour of the Palestinian people, as well as the urgent need to maintain continued assistance. Another delegation noted the unique and distinct comparative advantage of UNDP operations through the programme, but questioned the wisdom of the apparent dispersion of assistance to a total of 12 sectors, of which three would receive only \$30,000 per year, largely for practical reasons of management capacity of UNDP. In reply, one delegation underlined the importance of UNDP assistance to all those sectors, even the above three (population - for which UNFPA assistance should be requested - human settlements and culture), due to the dearth of other donors, and the pressing needs in each of the sectors.

Response of the Administration

69. Considering the particular difficulties of the situation, a more strategic approach was recommended. Furthermore, it was proposed to cover the approval of the programme in the context of the decision on the SPR.

IV. FUTURE PROGRAMME OF WORK, INCLUDING FIELD VISITS

70. In preparation for the next session of the Standing Committee in February 1992, some delegations said that the revised programming documents (to be prepared in accordance with paragraph 8 of the draft decision of the Committee), are necessary for approval on a no-objection basis by this session, and requested the Administration to provide detailed revisions by 1 November 1991 for full consideration by the Committee.

71. With respect to the participation of delegates from developing countries in future sessions of the Standing Committee, several delegations expressed concern that the spirit of decision 91/2 of 22 February 1991 relating to UNDP financing of the participation of officials responsible for technical cooperation, had not been followed, and requested that this not be repeated.

72. The Assistant Administrator informed the Standing Committee of the arrangements which UNDP and UNFPA had made for the 1991 field visits. As had been agreed at the in-session meeting of the Standing Committee, held during the thirty-eighth session of the Governing Council, three field visits were to take place in January: one to Africa (Tanzania and Burkina Faso); one to Asia (Bangladesh and Indonesia); and one to the Arab States (Egypt and Morocco). Twenty-one members of the Council had expressed interest in participating. UNDP would be in close touch with the Permanent Missions of those countries concerning logistical questions, the early and detailed elaboration of the programme for the visits, as well as to provide background and briefing material.

73. UNDP proposed to organize field visits in March and September 1992 and would be contacting the heads of the regional groups for nominations for those field visits. UNDP would report to the Standing Committee in February 1992 on the results of those efforts. One delegation suggested that the countries to be visited in 1992 should possibly be selected in accordance with the status of preparation of the country programme. In response to another delegation, the Administration replied that a structure for future field visits, which would facilitate greater understanding of UNDP's role in the respective countries, could be elaborated, based on the feedback from the first series of visits.

74. In view of the heavy work programme of the Standing Committee, one delegation suggested that the session in February 1992 be extended by one week. In response to a question from one delegation, the Administration confirmed that the evaluation of the MDP would be made available to the

Committee at its session in February 1992. With regard to its future programme of work, the Committee took note of the position embodied in paragraphs 124 and 125 of its report contained in document DP/1991/72.

V. ADOPTION OF THE REPORT OF THE STANDING COMMITTEE
FOR PROGRAMME MATTERS

75. At its 14th meeting, on 19 September 1991, the Standing Committee for Programme Matters adopted its draft report.

VI. RECOMMENDATIONS OF THE STANDING COMMITTEE
FOR PROGRAMME MATTERS

76. Following its consideration of the items before it, the Standing Committee recommended that the Governing Council adopt the following draft decision:

DRAFT DECISION

Special Programme Resources: general guidelines
and approval procedures

The Governing Council

1. Recalls its decisions 89/20 of 30 June 1989 on the role of the United Nations Development Programme in the 1990s and 91/3 of 22 February 1991 on Special Programme Resources;
2. Also recalls General Assembly resolution 44/211 of 22 December 1989 on the comprehensive triennial policy review of operational activities for development of the United Nations system;
3. Notes that in accordance with decision 91/3 a programming document has been submitted to the Governing Council by the Administrator for 23 out of the total of 26 subcategories of Special Programme Resources allocations;
4. Stresses the importance of the intended role of Special Programme Resources as a catalyst in assuring that the other resources of the United Nations Development Programme achieve the objective of building the national capacity of recipient countries, especially in the areas listed in paragraph 7 of decision 90/34 of 23 June 1990 and in decision 91/3;
5. Stresses the role of Special Programme Resources in helping to improve the quality and effectiveness of technical cooperation funded by the United Nations Development Programme;

6. Decides to consider for approval in February 1992 programming documents for technical cooperation among developing countries (subcategory B4), the transfer and adaptation of technology for development (subcategory B5) and the social dimensions of adjustment (subcategory C6), which will be submitted to the Governing Council at its special session in February 1992;

7. Authorizes the Administrator to release up to 15 per cent of the fifth programming cycle allocation for each subcategory of Special Programme Resources for which documentation was received by the Governing Council at its resumed thirty-eighth session;

8. Requests the Administrator to submit to the Governing Council at its special session in February 1992 revised programming documents for the subcategories contained in document DP/1991/64/Add.2, drawing on decision 91/3 and on the views expressed by delegations at the meeting of the Standing Committee for Programme Matters during the resumed thirty-eighth session;

9. Decides that, as an exceptional procedure, unless objections are raised by delegations at the special session of the Governing Council in February 1992, all revised documents will be considered approved by the Council;

10. Authorizes the Administrator to release the remainder of the fifth programming cycle Special Programme Resources allocation once the relevant documents have been approved as outlined above;

11. Also requests the Administrator to avoid using Special Programme Resources for the provision of goods, such as medical supplies and foodstuffs, which falls within the relief mandate of other United Nations organizations until authorized by the Governing Council in accordance with the procedure outlined above;

12. Requests the Administrator to take into account in the fifth programming cycle, as appropriate, the experience gained from activities funded by Special Programme Resources in the fourth programming cycle;

13. Requests the Administrator to ensure that activities are funded from Special Programme Resources in response to requests received in particular from recipient countries and that maximum use is made of national resources and capacities. To ensure greatest impact, such resources should be utilized, to the extent possible, in accordance with the principle of national execution. Special Programme Resources should assist in the development of strategies at the national level as well as other such catalytic activities;

14. Requests the Administrator:

(a) To establish clear accountability within the United Nations Development Programme for each subcategory of Special Programme Resources;

- (b) To ensure that Special Programme Resources subcategories remain focused;
- (c) To streamline Special Programme Resources approval procedures;
- (d) To develop appropriate performance indicators for each subcategory in order to ensure effective monitoring and impact evaluation;
- (e) To ensure the systematic utilization of evaluation results in the future programming of activities;

15. Requests the Administrator to ensure optimal complementary use of Special Programme Resources in relation to activities funded by country, regional, interregional and global indicative planning figures in financial, programmatic and operational terms, taking into consideration the catalytic role of the Special Programming Resources;

16. Requests the Administrator, in close cooperation with the other organizations and specialized agencies of the United Nations system, to promote inter-agency collaboration as appropriate in the implementation of activities funded from Special Programme Resources and to avoid overlap with the mandates of other United Nations organizations, so that maximum benefit is derived from the comparative advantage of each organization of the United Nations system;

17. Further requests the Administrator to submit to the Governing Council reviews of the subcategories within the first three years of the fifth programming cycle, on the basis of which the Governing Council may reallocate funds among categories and subcategories for the remainder of the cycle.

AnnexProposed earmarkings for fifth cycle SPR

(In millions of dollars)

<u>Category</u>	<u>Earmarking</u>
A. <u>Disaster mitigation</u>	
A1. Disaster preparedness and management	10
A2. Emergency relief	7
A3. Reconstruction and rehabilitation	18
A4. Refugees, displaced persons and returnees	5
Reserve for utilization after General Assembly adoption of guidelines	<u>10</u>
SUBTOTAL	50
B. <u>Thematic activities</u>	
B1. Poverty eradication and grass-roots participation in development	20
B2. Environmental problems and natural resources management	25
B3. Management development	40
B4. Technical cooperation among developing countries	15
B5. Transfer and adaptation of technology for development	7
B6. Women in development	<u>8</u>
SUBTOTAL	115
C. <u>Other special and/or new activities</u>	
C1. Human development report	5
C2. Special Plan of Economic Cooperation for Central America	20
C3. United Nations Programme of Action for African Economic Recovery and Development	10
C4. Drug abuse control/crop substitution	5
C5. HIV/AIDS	5
C6. Social dimensions of adjustment	1.3
C7. World Conference on Education for All	1.3
C8. Private sector development	4
C9. NGOs	<u>1.3</u>
SUBTOTAL	53
D. <u>Aid coordination</u>	
D1. Round-table meetings and UNDP support to Consultative Group meetings	12.5
D2. National technical cooperation assessments and programmes	12.5
D3. Others, e.g., needs assessments, country programme reviews	5
D4. Country programme initiatives	<u>5</u>
SUBTOTAL	35

<u>Category</u>	<u>Earmarking</u>
E. <u>Programme development</u>	
E1. Project Development Facility	15
E2. Programme evaluation/training	7
E3. Programme research	<u>7</u>
SUBTOTAL	29
F. <u>Assistance to the Palestinian people</u>	
SUBTOTAL	<u>15</u>
G. <u>Contingencies</u>	
SUBTOTAL	<u>16</u>
GRAND TOTAL	<u>313</u>