

2029 (XX). Consolidation of the Special Fund and the Expanded Programme of Technical Assistance in a United Nations Development Programme

The General Assembly,

Having considered the recommendation of the Economic and Social Council, in its resolution 1020 (XXXVII) of 11 August 1964, to combine the Special Fund and the Expanded Programme of Technical Assistance in a United Nations Development Programme,

Being convinced that such a consolidation would go a long way in streamlining the activities carried on separately and jointly by the Expanded Programme of Technical Assistance and the Special Fund, would simplify organizational arrangements and procedures, would facilitate over-all planning and needed co-ordination of the several types of technical co-operation programmes carried on within the United Nations system of organizations and would increase their effectiveness,

Recognizing that requests for assistance on the part of the developing countries are steadily increasing in volume and in scope,

Believing that a reorganization is necessary to provide a more solid basis for the future growth and evolution of the assistance programmes of the United Nations system of organizations financed from voluntary contributions,

Being convinced that the United Nations assistance programmes are designed to support and supplement the national efforts of developing countries in solving the most important problems of their economic development, including industrial development,

Recalling and reaffirming section III of its resolution 1219 (XII) of 14 December 1957 and part C of its resolution 1240 (XIII) of 14 October 1958 concerning the decision and the conditions under which the General Assembly shall review the scope and future activities of the Special Fund and take such action as it may deem appropriate,

Reaffirming that the proposed consolidation would be without prejudice to consideration of the study which the General Assembly, in its resolution 1936 (XVIII) of 11 December 1963, requested the Secretary-General to prepare on the practical steps to transform the Special Fund into a capital development fund in such a way as to include both pre-investment and investment activities, and without prejudice to the recommendation of the United Nations Conference on Trade and Development on the gradual transformation of the Special Fund, so as to include not only pre-investment but also investment proper,¹ or to the recommendation of the Economic and Social Council and of the General Assembly thereon,

Taking note of the message of the Secretary-General in which he stated, *inter alia*, that, far from limiting the possibilities of a United Nations capital investment programme, the proposals should enhance those possibilities,²

Recognizing that the effective working of a United Nations Development Programme depends upon the

full and active participation and the technical contribution of all the organizations concerned,

1. *Decides* to combine the Expanded Programme of Technical Assistance and the Special Fund in a programme to be known as the United Nations Development Programme, it being understood that the special characteristics and operations of the two programmes, as well as two separate funds, will be maintained and that, as hitherto, contributions may be pledged to the two programmes separately;

2. *Reaffirms* the principles, procedures and provisions governing the Expanded Programme of Technical Assistance and the Special Fund not inconsistent with the present resolution and declares that they shall continue to apply to relevant activities within the United Nations Development Programme;

3. *Urges* the Governing Council referred to in paragraph 4 below to consider conditions for an effective implementation of the provisions of section III of General Assembly resolution 1219 (XII) and part C of its resolution 1240 (XIII);

4. *Resolves* that a single inter-governmental committee of thirty-seven members, to be known as the Governing Council of the United Nations Development Programme, shall be established to perform the functions previously exercised by the Governing Council of the Special Fund and the Technical Assistance Committee, including the consideration and approval of projects and programmes and the allocation of funds; in addition, it shall provide general policy guidance and direction for the United Nations Development Programme as a whole, as well as for the United Nations regular programmes of technical assistance, it shall meet twice a year and shall submit reports and recommendations thereon to the Economic and Social Council for consideration by the Council at its summer session; decisions of the Governing Council shall be made by a majority of the members present and voting;

5. *Requests* the Economic and Social Council to elect the members of the Governing Council from among States Members of the United Nations or members of the specialized agencies or of the International Atomic Energy Agency, providing for equitable and balanced representation of the economically more developed countries, on the one hand, having due regard to their contribution to the United Nations Development Programme, and of the developing countries, on the other hand, taking into account the need for suitable regional representation among the latter members and in accordance with the provisions of the annex to the present resolution, the first election to take place at the first meeting of the Economic and Social Council after the adoption of this resolution;

6. *Decides* to establish, in place of the Technical Assistance Board and the Consultative Board of the Special Fund, an advisory committee, to be known as the Inter-Agency Consultative Board of the United Nations Development Programme, to meet under the chairmanship of the Administrator or Co-Administrator referred to in paragraph 7 below and to include the Secretary-General of the United Nations and the executive heads of the specialized agencies and of the International Atomic Energy Agency or their representatives; the Executive Directors of the United Nations Children's Fund and the World Food Programme should be invited to participate as appropriate; in order that the participating organizations may be provided with the opportunity to take part fully in the process

¹ See *Proceedings of the United Nations Conference on Trade and Development*, vol. I, *Final Act and Report* (United Nations publication, Sales No.: 64.II.B.11), annex A.IV.8, p. 47.

² See *Official Records of the Economic and Social Council, Thirty-seventh Session, Annexes*, agenda item 19, document E/3933, annex VI.

of decision- and policy-making in a consultative capacity, the Inter-Agency Consultative Board shall be consulted on all significant aspects of the United Nations Development Programme and in particular it shall:

(a) Advise the management on the programmes and projects submitted by Governments, through the Resident Representative, prior to their submission to the Governing Council for approval, taking into account the programmes of technical assistance being carried out under the regular programmes of the organizations represented on the Consultative Board, with a view to ensuring more effective co-ordination; the views of the Consultative Board, when it so requests, shall be conveyed by the Administrator to the Governing Council, together with any comments he may wish to make, when recommending for approval general policies for the Programme as a whole or for programmes and projects requested by Governments;

(b) Be consulted in the selection of agencies for the execution of specific projects, as appropriate;

(c) Be consulted on the appointment of the Resident Representatives and review annual reports submitted by them;

the Inter-Agency Consultative Board shall meet as often and for such periods as may be necessary for the performance of the foregoing functions;

7. *Decides* that, as a transitional measure, the present Managing Director of the Special Fund shall become the Administrator of the United Nations Development Programme and the present Executive Chairman of the Technical Assistance Board shall become the Co-Administrator of the Programme, each to serve until 31 December 1966 or, pending a further review of arrangements at the management level, until such later date as may be determined by the Secretary-General after consultation with the Governing Council;

8. *Decides* that the present resolution shall come into effect on 1 January 1966 and that such action as may be required in terms of this resolution shall be taken prior to that date.

*1383rd plenary meeting,
22 November 1965.*

ANNEX

1. Nineteen seats on the Governing Council of the United Nations Development Programme shall be filled by developing countries and seventeen seats by economically more developed countries, subject to the following conditions:

(a) The nineteen seats allocated to developing countries of Africa, Asia and Latin America and to Yugoslavia shall be filled in the following manner: seven seats for African countries, six seats for Asian countries and six seats for Latin American countries, it being understood that agreement has been reached among the developing countries to accommodate Yugoslavia;

(b) Of the seventeen seats allocated to the economically more developed countries, fourteen shall be filled by Western European and other countries and three by Eastern European countries;

(c) Elections to these thirty-six seats shall be for a term of three years provided, however, that of the members elected at the first election the terms of twelve members shall expire at the end of the year and the terms of twelve other members at the end of two years.

2. The thirty-seventh seat shall rotate among the groups of countries mentioned in paragraph 1 above in accordance with the following nine-year cycle:

First and second years: Western European and other countries;

Third, fourth and fifth years: Eastern European countries;

Sixth year: African countries;

Seventh year: Asian countries;

Eighth year: Latin American countries;

Ninth year: Western European and other countries.

3. Retiring members shall be eligible for re-election.

2042 (XX). Establishment of a United Nations capital development fund

The General Assembly,

Recalling its resolution 1521 (XV) of 15 December 1960 by which it decided in principle that a United Nations capital development fund should be established,

Recalling further its resolutions 1706 (XVI) of 19 December 1961, 1826 (XVII) of 18 December 1962 and 1936 (XVIII) of 11 December 1963, on the basis of which preparatory steps have been undertaken with a view to starting the operations of the fund,

Bearing in mind the provisions of section III of its resolution 1219 (XII) of 14 December 1957 and part C of its resolution 1240 (XIII) of 14 October 1958, as well as the provisions contained in the sixth preambular paragraph of its resolution 2029 (XX) of 22 November 1965,

Taking into account the recommendations contained in annex A.IV.7 (United Nations Capital Development Fund) and annex A.IV.8 (Gradual transformation of the United Nations Special Fund) of the Final Act of the United Nations Conference on Trade and Development,³ as well as the provisions contained in paragraphs 7 and 8 of General Assembly resolution 2029 (XX),

Being convinced that the United Nations assistance programmes are designed to support and supplement the national efforts made by developing countries to solve the most important problems of their economic development, above all those relating to industrial development,

Taking note of the study prepared by the Secretary-General on the practical steps to transform the Special Fund into a capital development fund in such a way as to include both pre-investment and investment activities,⁴

Having considered the report of the Committee on a United Nations Capital Development Fund on its fourth session,⁵

1. *Reaffirms* the need for extending United Nations economic assistance to the field of investment activities in the developing countries;

2. *Urges* the economically advanced countries to undertake measures designed to ensure the beginning of the operations of a United Nations capital development fund at an early date;

3. *Requests* the Governing Council of the United Nations Development Programme to consider, at its second meeting in 1966, the ways and means for an effective implementation of the recommendation con-

³ See *Proceedings of the United Nations Conference on Trade and Development*, vol. I, *Final Act and Report* (United Nations publication, Sales No.: 64.II.B.11), p. 47.

⁴ *Official Records of the Economic and Social Council, Thirty-seventh Session, Annexes*, agenda item 10, document E/3947.

⁵ *Official Records of the General Assembly, Twentieth Session, Annexes*, agenda item 39, document A/5748.