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JOINT INSPECTION UNIT

Department of Technical Co-operation for Development

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly his comments on the report of the Joint Inspection Unit entitled "United Nations Department of Technical Co-operation for Development" (A/38/172).

\* A/38/50/Rev.1.

ANNEX

COMMENTS OF THE SECRETARY-GENERAL

1. The report of the Joint Inspection Unit on the United Nations Department of Technical Co-operation for Development (JIU/REP/83/2) is one of a series of studies undertaken in response to proposals from the Committee for Programme and Co-ordination (CPC), the Economic and Social Council and the General Assembly in order to review the implementation of Assembly resolution 32/197 of 20 December 1977 on the restructuring of the economic and social sectors of the United Nations system. It reviews the performance of the Department since its inception as the principal arm of the United Nations Secretariat for technical co-operation, and notes the positive achievements attained to date by the Department in its field of competence, including the Department's efforts to make optimum use of available resources.
2. The Secretary-General welcomes the report as a useful contribution to clarifying and strengthening the role of the Department. He believes that it can serve as a basis for further consideration of issues which affect the Department and which are still not fully resolved.
3. The Inspectors have pointed out that a number of interrelated issues are involved. Some are internal to the Department, while others concern relationships with various other entities. They include: the implementation of the mandate of the Department within the United Nations Secretariat and the clustering together of functions relating to the effective substantive support and management of technical co-operation; the greater delegation of authority to the Department for administrative and financial matters; the proliferation of execution capabilities within the Secretariat, in response to legislative directives; the distinction between global interdisciplinary research and analysis and technical co-operation, as outlined in the annex to General Assembly resolution 32/197; the relationship between the Department of International Economic and Social Affairs (DIESA) and the Department of Technical Co-operation for Development and the allocation of activities between these two entities in such subject areas as statistics and ocean economics. They also relate to the need to improve the articulation of the Department's relationships with its funding partners and the criteria for the designation of executing agencies by the United Nations Development Programme (UNDP), DTCD's main funding partner, taking into account the need to take full advantage of the technical competence of executing agencies in their particular fields of specialization. In this connection the Inspectors have noted that forthcoming JIU reports on DIESA and on UNDP's Office for Project Execution will also cover areas of concern to the Department, and the Secretary-General will submit his views on these aspects when he comments on the relevant reports.
4. One of the main purposes of the relevant provisions of General Assembly resolution 32/197 was to cluster together in a single organizational entity functions in respect of technical co-operation activities funded under the United Nations regular programme or for which the United Nations is executing agency. The functions entrusted by the Secretary-General to the Department are described in the

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Secretary-General's bulletin ST/SGB/162 and summarized in paragraph 12 of the JIU report. The Secretary-General further notes that the Assembly, in its resolution 37/232 of 20 December 1982, expressed the need for the full implementation of those provisions in order to accomplish economies of scale.

5. The Inspectors noted that when DTCD was created it was intended to be the principal arm of technical co-operation in the United Nations, although there already existed many United Nations organs with technical co-operation as part of their responsibility. In addition to those United Nations entities which function as Executing Agencies, there are other units which are also engaged with, or interested in, the execution of technical co-operation projects. The Inspectors have also referred to an increasing trend over the past five years on the part of UNDP, and DTCD's other funding partners, to establish and expand their own executing capabilities. They state that "this situation into which DTCD was born blurs its image and its role as the principal arm for operational activities for development in the United Nations Secretariat".

6. In this connection, the Secretary-General believes that further intergovernmental review of the Department's activities is warranted. As suggested by JIU, the UNDP Governing Council could usefully devote more time to the review and guidance of the technical co-operation activities of the United Nations. He also notes that, in accordance with General Assembly resolution 37/232, the Secretary-General's annual report on the technical co-operation activities of the United Nations will be made available in the future, through the Economic and Social Council, to the General Assembly.

7. At the present time the following considerations should also be kept in mind:

(a) Although the Inspectors took into account the decline in the availability of resources for technical co-operation and its effects on the Department (in para. 35 on the decrease on the number of posts and in para. 44 on the size of total delivery) some of the arguments put forward in the report were formulated before the Department's financial position became as acute as it is at the present time as a result of a further erosion of its traditional funding sources (principally UNDP and UNFPA). The Inspectors' recommendations have therefore to be viewed in the light of a steady deterioration in the Department's financial situation in the months since the report was finalized;

(b) In view of the fact that DTCD staff is financed largely out of overhead earnings on programme delivery, the Department's severe financial constraints are having direct implications on the size and structure of DTCD and will therefore be a crucial factor in any decision concerning the Department's internal organization. These constraints are also the result of the proliferation and expansion of executing capabilities outside the Department, as mentioned above.

Specific comments

Recommendation 1

8. The Secretary-General concurs fully with this recommendation, and in particular with the need to establish a proper degree of co-ordination and uniformity of approach within the United Nations Secretariat. He intends to address these issues in the coming months, including the clustering together in the Department relevant functions pertaining to the management of technical co-operation activities of the United Nations in accordance with resolutions 32/14 and 37/232. In this context, the Secretary-General notes that the programme budget submission of the Department for the biennium 1984-1985 will provide the relevant intergovernmental bodies with the opportunity to consider the progress achieved to this end.

9. The Secretary-General further notes that, given the context in which the Department must operate, the question of clearly defined terms of reference for the Department - which will be issued in due course - is naturally linked to the complex of issues referred to earlier in this document.

Recommendation 2

10. Over the past year the Department has carried out an extensive analysis of its internal organization in order to achieve a better rationalization of its capabilities and to respond effectively to the financial constraints mentioned above. Many of the helpful suggestions of JIU have already been reflected in the proposals for streamlining put forward by the Department as a result of extensive reviews of the Department's organization and which are under review at the current time. The Secretary-General in the programme budget submission will report on measures taken so far to streamline the Department.

Recommendation 3

11. The Secretary-General fully supports the Inspector's view that current effort to ensure the more effective representation of DTCD in the field should be maintained. He notes that the Department customarily briefs every Resident Representative/Resident Co-ordinator at the outset of his/her appointment and that it has also taken additional measures to keep Resident Representatives fully informed of the Department's activities. Consideration is being given to other measures proposed by JIU to strengthen its field representation. The Secretary-General notes the recommendation made by the Inspectors in paragraph 37 (c) of their report, but would point out that for financial and other reasons no change in existing arrangements can be contemplated.

Recommendation 4

12. The Secretary-General is in full agreement with the importance which the Inspectors attribute to the general question of evaluation, which is also reflected in the various steps taken by the Department over the last year to devise an appropriate methodology, guidelines, and procedures for more systematic application

in the field projects. The setting up of a separate unit, however, awaits the outcome of decisions on DTCD's structure, as mentioned above, and will also depend on the availability of finance.

Recommendation 5

13. The Secretary-General concurs with the thrust of the JIU's recommendation on the need of the Department for greater flexibility in dealing with administrative, personnel and financial matters. Certain measures have already been adopted to increase delegation of authority to the Department in such areas as the establishment and management of trust funds and to streamline administrative systems for such procedures as the payment of rental subsidies to experts. It is agreed, however, that further steps can be taken in this direction, particularly relating to the management of expert personnel and finance in the field, and appropriate action is under way.

Recommendation 6

14. The Secretary-General notes that Chief Technical Advisers in DTCD-executed projects now have authority for local purchases and that this delegation of authority has been extended recently to allow CTAs to place purchase orders internationally. Funds allocated are without limit but the individual orders placed by CTAs may not exceed \$5,000.

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