



Report
on some aspects of the Technical
Co-operation Programme
of the International Telecommunication
Union (ITU)

by
E. Ferrer-Vieyra



Joint Inspection Unit

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I. INTRODUCTION

1. The Joint Inspection Unit (JIU) approved for inclusion in its 1975 Work Programme, a topic which includes evaluation of the activities of some specialized agencies not hitherto covered by a separate JIU study. The undersigned Inspector undertook to study and evaluate some activities of the International Telecommunication Union (ITU) in the technical co-operation field.
2. This subject was chosen in view of the extraordinary growth of such activities in the specialized agency concerned, the increasing importance of telecommunications in general to the developing countries, and the need - repeatedly stressed by the United Nations General Assembly and the Economic and Social Council - to relate the work of the United Nations agencies closely to the Second Development Decade and to the establishment of a new international economic order. The choice was also influenced by two considerations which the Inspector regards as of vital importance: firstly, it is necessary that the technical co-operation which ITU extends to countries - a major activity shared by all the United Nations specialized agencies - should be converted from a series of unrelated and independent projects into programmes forming a genuine integral part of the development plans of member countries for telecommunications. Secondly, it is necessary to integrate telecommunication programmes with other related features of countries' social and economic activities.
3. The inter-dependence of development problems makes it impossible nowadays to deal with any one component of the development process in isolation from the others. A typical case is that of rural telecommunications, the development of which directly influences the sociological and economic solutions applicable to one of the most serious contemporary problems: the uncontrolled population exodus from farming and stock-breeding areas to urban communities. This is only one example among the many that could be given in which the importance of mass communication today argues for a unified or interdisciplinary approach, under which the broad problems of telecommunications would be studied and resolved in relation to problems of education, public health, labour, economic efficiency and so on. In an attempt to make an effective contribution to the highly important tasks laid on the Union by Article 4 of the International Telecommunication Convention, this study places special emphasis on the interdisciplinary considerations mentioned. Some of the conclusions and recommendations could also be applied to other agencies in the United Nations family.

4. In the course of this study, the Inspector discussed issues with the Secretary-General and staff members of ITU at Geneva, and with staff members of the United Nations Development Programme (UNDP) at New York. The Inspector appreciates very much all the suggestions made by them in the drafting of this report. This is not a field inspection report; nevertheless, information gathered in the course of a previous JIU report on technical co-operation, in which a UNDP/ITU project was discussed (Report on the need for a revised concept on UNDP regional training programmes in the least developed countries: the East African case - JIU/REP/73/5), was also used.

II. THE ITU TECHNICAL CO-OPERATION PROGRAMME

5. Technical co-operation between the International Telecommunication Union and developing countries has had a striking history of growth. The history of the ITU technical assistance programme over the past ten years and more is set forth in two ITU documents which provide a wealth of information: the report of the Administrative Council to the Plenipotentiary Conference held at Malaga-Torremolinos (1973) and a special number of the Telecommunication Journal (Volume 40, No. VIII). In addition, the Secretary-General's Reports on the Activities of the Organization for 1973 and 1974 contain special chapters on technical co-operation activities.

6. The Inspector sees no need, therefore, to repeat here the information already provided in those documents. He would, however, briefly mention the salient features of the growth of the technical co-operation programme administered by ITU:

- (a) ITU now holds seventh place for the overall budget of technical co-operation projects carried on under UNDP.^{1/} There are at present 17 executing agencies of the United Nations Development Programme.
- (b) The cost of technical assistance rendered between 1965 and 1972 was eight times the amount spent in 1959-1964.
- (c) Technical co-operation has taken three main forms: pre-investment studies, direct technical assistance to countries, and development of human resources.

7. So far as pre-investment studies are concerned, the plans for telecommunication networks in Africa, Latin America and Asia are in the last stages. Direct technical assistance to countries was rendered over the period 1965-1972 through advisory missions by 590 experts for a total of 15,380 man-months. Under professional training, 1,399 fellowships for study abroad and 708 short-term fellowships for participation in seminars or working groups were awarded. It should be added that ITU provided developing countries with more than US\$ 10 million worth of telecommunications equipment, that technical co-operation was extended to 127 countries, and that the organization was, or is, executing agency for some 50 major projects financed by UNDP.

^{1/} See Annex I for a list of ITU technical co-operation projects by region and country.

8. The Administrative Council report already mentioned gives the following figures for expenditure by region:

<u>Region</u>	<u>US\$</u>	<u>Percentage</u>
Africa	16,538,087	32.2
Americas	9,208,616	20.2
Asia	18,411,899	40.3
Europe (including Turkey, Cyprus and Malta)	1,256,153	2.7
Inter-regional	302,555	0.6

Of the 1,399 fellowships awarded between 1965 and 1972, 41.9 per cent were awarded to Africans, 26.9 per cent to Asians, 16.4 per cent to persons from the Americas and 14.8 per cent to Europeans.

9. For technical reasons, ITU does not divide the world into regions in the same way as other specialized agencies of the United Nations family. The countries covered by the regional groupings given above are for the most part those geographically located in those regions.

III. INSTITUTIONAL ASPECTS

10. The purposes of the International Telecommunication Union, as set forth in Article 4 of the International Telecommunication Convention (Malaga-Torremolinos, 1973), are the following:

"Article 4

Purposes of the Union

1. The purposes of the Union are:
 - a) to maintain and extend international cooperation for the improvement and rational use of telecommunications of all kinds;
 - b) to promote the development of technical facilities and their most efficient operation with a view to improving the efficiency of telecommunications services, increasing their usefulness and making them, so far as possible, generally available to the public;
 - c) to harmonize the actions of nations in the attainment of those ends.
2. To this end, the Union shall in particular:
 - a) effect allocation of the radio frequency spectrum and registration of radio frequency assignments in order to avoid harmful interference between radio stations of different countries;
 - b) coordinate efforts to eliminate harmful interference between radio stations of different countries and to improve the use made of the radio frequency spectrum;
 - c) coordinate efforts with a view to harmonizing the development of telecommunications facilities, notably those using space techniques, with a view to full advantage being taken of their possibilities;
 - d) foster collaboration among its Members with a view to the establishment of rates at levels as low as possible consistent with an efficient service and taking into account the necessity for maintaining independent financial administration of telecommunication on a sound basis;

- e) foster the creation, development and improvement of telecommunication equipment and networks in developing countries by every means at its disposal, especially its participation in the appropriate programmes of the United Nations;
- f) promote the adoption of measures for ensuring the safety of life through the cooperation of telecommunication services;
- g) undertake studies, make regulations, adopt resolutions, formulate recommendations and opinions, and collect and publish information concerning telecommunication matters."

11. These purposes are served by the following organs (Article 5 of the International Telecommunication Convention (Malaga-Torremolinos, 1973):

- The Plenipotentiary Conference, which is the supreme organ of the Union;
- Administrative Conferences (world and regional);
- The Administrative Council.

To these must be added the four permanent organs of the Union, which are:

- The General Secretariat;
- The International Frequency Registration Board (IFRB);
- The two International Consultative Committees, i.e. the International Radio Consultative Committee (CCIR) and the International Telegraph and Telephone Consultative Committee (CCITT).

12. Article 11 of the Malaga-Torremolinos Convention, which deals with these International Consultative Committees, further provides that:

"There shall be a World Plan Committee, and such Regional Plan Committees as may be jointly approved by the Plenary Assemblies of the International Consultative Committees. These Plan Committees shall develop a General Plan for the International telecommunication network to facilitate coordinated development of international telecommunication services. They shall refer to the International Consultative Committees questions the study of which is of particular interest to developing countries and which are within the term of reference of those Consultative Committees."

13. Lastly, the Convention established a Co-ordination Committee composed of the Deputy Secretary-General, the Directors of the International Consultative Committees and the Chairman of the International Frequency Registration Board. This Committee is presided over by the Secretary-General. The main task of the Committee is to "assist and advise the Secretary-General on all administrative, financial and technical cooperation matters affecting more than one permanent organ, and on external relations and public information, keeping fully in view the decisions of the Administrative Council and the interest of the Union as a whole" (Article 12). The Committee shall, also, "examine the progress of the work of the Union in technical cooperation and submit recommendations, through the Secretary-General, to the Administrative Council" (Article 59). The role played by this Committee could be of great importance to the Union in matters related to technical co-operation. The Inspector believes the Union could take better advantage of its full potentiality.

14. In addition to what may be termed "constitutional" provisions, every Plenipotentiary Conference adopts various resolutions directly concerned with technical co-operation and with the holding of international conferences and meetings. The Malaga-Torremolinos Conference adopted the following ten resolutions on technical co-operation:

- (i) Participation of the Union in the United Nations Development Programme (UNDP);
- (ii) Improvement of Union Facilities for rendering Technical Assistance to Developing Countries;
- (iii) Application of Science and Telecommunication Technology in the Interest of Developing Countries;
- (iv) Special Measures for the Least-Developed Countries;
- (v) Inter-Country Projects financed by the UNDP in the Field of Telecommunications;
- (vi) Special Fund for Technical Co-operation;

- (vii) Recruitment of Experts for Technical Co-operation Projects;
- (viii) Training Standards;
- (ix) Training of Refugees;
- (x) Seminars.

15. The activities and tasks of two of the organs mentioned above in paragraph 11 (the Administrative Council and the General Secretariat) are particularly important to the ITU technical assistance programme.

16. The Administrative Council, in addition to its main tasks of taking all steps to facilitate the implementation of the decisions of the Plenipotentiary Conference, helping Members to comply with the provisions of the Convention and ensuring the efficient co-ordination of the work of the Union, is also required to:

"promote international cooperation for the provision of technical cooperation to the developing countries by every means at its disposal, especially through the participation of the Union in the appropriate programmes of the United Nations" (Article 8).

The Council has established a Committee specially concerned with technical co-operation (Committee 3).

17. The functions of the General Secretariat include, in addition to those laid down in Article 56 of the Convention, those specifically entrusted to it by the Plenipotentiary Conference and the Administrative Council with regard to technical co-operation. Its internal structure includes a Technical Co-operation Department, to which reference will be made later in this report.

18. The International Frequency Registration Board (IFRB) has, inter alia, a constitutional duty to furnish advice to Members with a view to the operation of the maximum practicable number of radio channels in those portions of the spectrum where harmful interference may occur, and with a view to the equitable, effective and economical use of the geostationary satellite orbit (Article 10 of the Convention). Furthermore the Radio Regulations (Article 8) enumerate several activities of the Board concerning the provision of technical assistance to national administrations. Article 9 and Article 9a of the Radio Regulations also entrust the Board, at the request of any administration in need of special

assistance, to render such assistance "if the circumstances appear to warrant it". These activities include the investigation, at the request of the interested administration, of harmful interference and the formulation of recommendations on the usage of the radio spectrum. The specialized secretariat of the Board includes a Planning Department which participates in the technical studies made by the Board, including technical assistance to Governments in frequency matters, cases of harmful interference, technical preparation of radio conferences, etc. Over the period 1965-1972, the Planning Department provided preparatory documents, and a technical secretariat for the four radio conferences held during those years, organized six seminars and trained many technicians sent by their Governments.

19. The International Radio Consultative Committee and the International Telegraph and Telephone Consultative Committee perform tasks of technical co-operation with Member States in accordance with the provisions of Article 11 of the 1973 Convention. Paragraph 3 of that Article provides that, in the performance of its studies, each Consultative Committee shall pay due attention to the formulation of recommendations directly connected with the establishment, development and improvement of telecommunications in developing countries in both the regional and international fields.

20. The International Radio Consultative Committee may be said to have been providing Governments with technical co-operation since the Los Angeles Conference (1959). The decision taken at the Third Plenary Assembly of the International Telegraph and Telephone Consultative Committee (CCITT) held in 1964, to establish Special Autonomous Working Parties gave added impetus to that work. Thus, at the Plenary Assemblies of the International Radio Consultative Committee (CCIR) held at Oslo (1966) and New Delhi (1970), it was found necessary to set up a Technical Co-operation Committee to examine the progress achieved. Furthermore, the CCIR secretariat has participated in several programmes of technical co-operation, some of direct interest to several countries, such as the studies of ionospheric propagation carried out in Ethiopia, Iran, Morocco, Saudi Arabia, and Zaire and the study of the telecommunication link between the two Yemens.

21. The technical co-operation provided by the CCITT is directly connected with the work of the Plan Committees, Study Groups and Special Autonomous Working Parties. As already stated, the documents referred to in paragraph 5 give detailed information on technical assistance rendered by these ITU organs.

22. The main activity of ITU in this field is beyond question that carried on by the Technical Co-operation Department, one of the six departments reporting directly to the Secretary-General. The present structure of the Technical Co-operation Department is based on a proposal made by the Secretary-General to the Administrative Council in document No. 3862-E of March 1969 and approved by the Council. This document proposed changes in the structure approved for the Department by the Administrative Council in 1967, which in practice had proved unsuited to the Organization's needs in its growing task of rendering technical assistance to Member States and incompatible with the structural changes made in the bodies financing the programme.

23. However, the principles underlying the 1967 structure still hold good. The changes made in 1969 were designed also to facilitate the operational activity of the Department, to eliminate duplication of work and to make ITU technical co-operation more regional in character. These basic principles are the following:

- (a) To permit the separation of administrative from technical and organizational tasks;
- (b) To reflect the amalgamation of operations under the Technical Assistance and Special Fund components in accordance with UNDP guidelines;
- (c) To enable greater emphasis to be placed on the programming and evaluation of projects in accordance with the recommendations of UNDP; and
- (d) To comply with the decisions of the Montreux Conference regarding the technical co-operation activities of the Union.

24. In its present form, the Department consists of the following:^{2/}

- Chief of the Department
- Group of Engineers
- Training Division
- Africa Division
- Americas Division
- Euro-Asia Division
- Administrative Division

In May 1975, the Secretary-General proposed to the Administrative Council to split the Euro-Asia Division into an Asian and Pacific Division and a Europe and Middle East Division. The proposal was approved by the Administrative Council.

25. The Group of Engineers works in close contact with the Permanent organs of the Union. It is required to carry out tasks approved in Resolution 29 of the Montreux Plenipotentiary Conference and resolution 17 of the Malaga-Torremolinos Conference. The Group is "responsible for rendering short-term assistance to developing countries, either by correspondence or by missions to requesting countries, and for providing advice and evaluations to the authorities responsible for preparation and execution of projects". Montreux resolution 31 assigned specific functions to the Group of Engineers as regards training, and these have since been transferred to the Training Division.

26. The Training Division is responsible for the various tasks approved at the Malaga-Torremolinos Conference, in particular those set forth in resolutions 23 and 25 and to some extent in 24. The Training Division has also organized various seminars and "working parties". In 1974 seven seminars had been held, two at Union Headquarters and the rest in various Member States. The working parties were set up to discuss technical aspects of financially important projects involving a number of countries.

^{2/} See Annex II.

27. The Area Divisions have responsibilities for all technical co-operation activities in their respective regions. These responsibilities include programming, execution and evaluation of ITU field projects. Another very important function of the Area Divisions is to maintain close contact with the organizations of the United Nations family at the level of their regional and national structures, including the regional economic commissions, the UNDP Resident Representative and so on.

28. The operative arm of the Technical Co-operation Department in the field consists of the regional experts, whose activities are supervised by the Area Divisions. The main task of these experts is to advise Governments to formulate their requests for technical co-operation consistently with their development plans, technical standards and the recommendations of the permanent organs of ITU. Similarly, in particular regions (Central and South America, the Caribbean), what are termed "multinational experts" are at work providing technical advice in particular branches of telecommunications. Lastly, also in the field are experts recruited by the Union whose salaries are paid partly by the Governments concerned and partly by the Union under the relevant UNDP-financed project. These are OPAS (Operational Assistance) experts. In 1975 there were six regional experts, fifteen multinational experts and twenty OPAS experts at work.

29. The Administrative Division is responsible, inter alia, for the administrative support services of technical co-operation projects; seeking candidates for posts of experts, recruitment of experts and associate experts, and the administrative work connected with their assignment; for all administrative work in connexion with fellowships, the procurement of equipment for projects, and so on.

30. The Administrative Division's responsibility for the procurement of technical equipment needed for project execution is vitally important to technical co-operation of the kind which the Union extends to Governments. It has been growing in volume from year to year. The value of equipment sent in 1974 to ITU/UNDP projects reached some \$ 2,765,000, and \$ 3,300,000 were ordered.

IV. FINANCIAL ASPECTS

31. The ITU has neither a programme nor any funds in its ordinary budget for financing technical projects in developing countries. In the budget for 1975 approved by the Administrative Council (R.No.738) and according to the decisions of the Plenipotentiary Conference of Malaga-Torremolinos (No. 246), there are three different types of budgets:

- The ordinary budget of the Union, which amounts to Sw F 47,307,400;
- The Technical Co-operation Special Accounts Budget, which amounts to Sw F 6,415,200;
- The Supplementary Publications Budget, which amounts to Sw F 6,440,000.

32. The ITU ordinary budget contains no specific appropriation for technical assistance activities. As already mentioned, however, there are two units at ITU Headquarters - the Training Division and the Group of Engineers - which give Governments assistance in special cases and which are financed out of the ordinary budget. From 1968 to 1972, the total amount spent by the Union on technical co-operation and borne by the regular budget amounts to Sw F 1,279,700 (Doc. DT/8-E).

33. The amount spent on, or invested in, technical co-operation by the Union under its ordinary budget, has greatly increased lately. For 1975, Administrative Council document No. ^{4680-E}(CA29-144), Table 5, mentions the sum of Sw F 1,725,000, distributed among the following items: Training Division (Sw F 550,000); Group of Engineers and Technical Support (Sw F 695,000); premises' costs (amortization and upkeep) for the space occupied by the Technical Co-operation Department (Sw F 300,000); and seminars organized by the Union in collaboration with Member States (Sw F 180,000).

34. The Technical Co-operation Special Accounts Budget has two sources of funds: the contribution of the United Nations Development Programme, which amounts to about 91 per cent of the total; and government contributions in the form of Funds-in-Trust, agreements on associate experts, which account for the remaining nine per cent.

35. The Technical Co-operation Special Accounts budget covers administrative services costs at Union Headquarters, e.g. Agency Overhead Costs. In 1974 this

budget amounted to a little more than Sw F 6 million, which was covered mainly by the UNDP contribution (13 per cent of the cost of project execution), amounting to \$1,740,425 and by Funds-in-Trust and other income amounting to \$164,812.^{3/} As stated in Annex III of this report, the UNDP contribution for project execution in 1974 was \$12,430,000.

36. As already mentioned, the Technical Co-operation Special Accounts Budget of ITU covers only administrative expenditure incurred in the execution of technical co-operation projects. The funds to cover this expenditure come mainly from UNDP and Funds-in-Trust. On this subject, the 1973 Plenipotentiary Conference approved resolution No. 16 on the participation of the Union in the United Nations Development Programme; the operative part of the resolution reads as follows:

"resolves

1. that the Union shall continue its full participation in the United Nations Development Programme, within the framework of the Convention;
2. that the administrative and operational services costs resulting from the Union's participation in the United Nations Development Programme shall be included in a separate part of the budget of the Union, on the understanding that the compensatory payments from the United Nations Development Programme shall be included as income in that part of the budget;
3. that the Union's auditors shall check all the expenditures and income relative to participation of the Union in the United Nations Development Programme;
4. that the Administrative Council shall also examine these expenditures and take whatever steps it deems appropriate to ensure that the funds thus assigned by the United Nations Development Programme are used exclusively for administrative and operational services costs;

instructs the Secretary-General

1. to present each year to the Administrative Council a detailed report on the participation of the Union in the United Nations Development Programme;
2. to submit to the Administrative Council such recommendations as he may deem necessary to improve the efficiency of this participation;

^{3/} See Annex III

instructs the Administrative Council

to take all necessary measures to ensure the maximum efficiency of the Union's participation in the United Nations Development Programme".

37. In its aims and purposes, this resolution No. 16 is similar to, but not exactly the same as resolution No. 30 adopted at the 1965 Plenipotentiary Conference. The earlier resolution made it clear that overhead costs were to be covered by compensatory payments from UNDP because "these expenses cannot at present be borne by the Union budget".

38. The 1965 resolution could be interpreted to mean that making UNDP responsible for the payment of all overhead costs was a provisional measure. The 1973 resolution, however, is not open to that interpretation, since the expression in question was intentionally left out of the text. The resolution provides only that the administrative and operational services costs resulting from the Union's participation in UNDP shall be included in "a separate part of" the Union budget "on the understanding that the compensatory payments from the United Nations Development Programme shall be included as income" in the said budget.

39. Under Economic and Social Council resolution 1060 (XXXIX) adopted in 1965, the ITU enjoyed the benefits of the so-called "flexibility rule" up to and including 1972. The report of the Administrative Council to the Plenipotentiary Conference of Malaga-Torremolinos, 1973, states that the overhead costs paid to the Union were as follows:

- 1965 - 13 per cent of the approved field programme for the
 TA component and 11 per cent for the SF component;
- 1966/1971 - 14 per cent of the approved field programme for the
 TA component and 11 per cent for the SF component.

When the two components were merged in January 1972, the compensatory payments from UNDP were fixed at 13 per cent of the expenditure incurred in execution of the programmes, "it being understood that additional amounts were granted in special cases, particularly to small organizations such as the ITU" (section 2.5.5.1.3).

40. This question of overhead costs has two important aspects: one concerns the methods which can be used to determine approximately what the executing agencies spend on overhead costs for UNDP projects ^{4/} the other concerns the executing agencies' general policy regarding the use of regular budget funds to pay all or part of such costs. This last possibility was specially considered by the Economic and Social Council in adopting resolution 1060 (XXXIX) on administrative and operational services costs; paragraph 3 of the resolution provides:

"that any portion of funds for administrative and operational services costs to which an organization is entitled but which is not required by the organization for this purpose, shall be included in the planning reserve of the Executive Chairman of the Technical Assistance Board".

41. The amount of overhead costs in the ITU Special Budget increased steadily from 1965 to 1973, reflecting the growth of the Organization's technical assistance activities. The figures are as follows: ^{5/}

Year	Budget (Sw F)
1965	1,557,400
1966	1,797,200
1967	1,992,630
1968	2,742,400
1969	2,978,500
1970	3,921,600
1971	4,379,500
1972	5,109,300
1973	5,945,300

^{4/} See JIU/REP/69/2, JIU/REP/72/10 and JIU/REP/74/7.

^{5/} Report of the Administrative Council, pages 2/28. As long as the ITU has a special budget for technical co-operation, it seems it could be the most appropriate agency for a "case study" on overhead costs in medium-size agencies.

42. At the January 1975 meeting of the UNDP Governing Council (E/5656, paragraph 353) the Administrator was authorized to write-off \$ 437,666 for ITU "on the basis of the special circumstances applicable to small executing agencies with identifiable staff units for executing projects financed by UNDP". The UNDP Administrator was further authorized to negotiate additional lump-sum overhead reimbursements for agencies whose technical assistance programmes did not exceed \$ 10 million. In the case of unusually complex projects, an additional overhead provision of 5 per cent of the project budget was authorized, although a very restrictive approach was urged in this matter. The 13 per cent reimbursable to the executing agencies was increased to 14 per cent. ITU has requested the raising of the ceiling of the overhead flexibility provision from US\$ 10 million to US\$ 20 million, "on the understanding that the criteria for this ceiling should apply not only to the UNDP programme of an agency but include regular programmes and others". ITU has also requested UNDP to consider as "unusually complex projects", the following: ALG/72/009, Institut de technologie des Postes et télécommunications, Oran; BRA/74/009, Telecommunication Research and Development; IND/70/609, Experimental Satellite Communication Earth Station, Ahmedabad; NIR/72/010, National Telecommunications Development Planning, and REM/72/038, Feasibility Study/Preinvestment Survey for Middle East Telecommunications Network.

43. This problem is bound up with the executing agencies' general policy regarding the payment of technical assistance costs out of regular budgetary funds. A typical case is the World Health Organization (WHO), a considerable proportion of whose regular budget is used for technical assistance to developing countries, both for operational and overhead costs.

44. In the case of ITU, the provisions of the Convention and other documents adopted at the Malaga-Torremolinos Conference are open to conflicting interpretations. Thus the Advisory Committee on Administrative and Budgetary Questions (ACABQ), in its report on Agency Overhead Costs (DP/77/Add.2), after referring to organizations whose constitution makes explicit reference to technical co-operation activities, adds that "other Executing Agencies, such as ITU on the other hand, are statutorily forbidden to spend regular budget funds on technical co-operation activities".

45. This statement is correct only with reference to the provisions of resolution No. 16 adopted at Malaga-Torremolinos concerning participation of the Union in the United Nations Development Programme. Even so, the Inspector has some doubts as to whether a proportion of the overhead costs incurred by ITU in executing UNDP projects can or cannot be covered out of the Union's ordinary budgetary funds. ^{6/} Paragraph 2 of the resolution is not clear on this point and is concerned mainly with the need to keep a separate budget on technical co-operation. It provides:

"that the administrative and operational services costs resulting from the Union's participation in the United Nations Development Programme shall be included in a separate part of the budget of the Union, on the understanding that the compensatory payments from the United Nations Development Programme shall be included as income in that part of the budget".

46. In his statement at the opening meeting of the Administrative Council's twenty-ninth session, the Secretary-General of ITU referred to the problem in the following terms:

"At the January 1974 session of the UNDP Governing Council, a trend of opinion emerged in favour of sharing administrative costs between UNDP and the executing agencies. If this idea were adopted, it would mean that a part of these costs would be charged to the ordinary budget of the agencies concerned. Such a decision would affect all executing agencies but particularly the ITU, for the provisions of its Convention run contrary to such a procedure."

47. This Inspector has been unable to find in the Convention adopted at Malaga-Torremolinos any specific provision to the effect that ITU is constitutionally forbidden to use funds from its ordinary budget to share in the cost of technical co-operation.

48. Moreover, Article XII, paragraph 1, of the Agreement between the United Nations and ITU provides that:

"In the event of the Union being faced with the necessity of incurring substantial extra expense as a result of any request which the United Nations may make for special reports, studies or assistance in accordance with Article VI or with any other provision of this Agreement, consultation shall take place with a view to determining the most equitable manner in which such expense shall be borne."

4666-E

^{6/} See document CA29-130, 15 August 1974, on Debiting of Administrative and Operational Costs resulting from the Union's participation in the United Nations Development Programme.

49. Again, it is known that the Union incurs technical co-operation expenditure which is met out of its ordinary budget; an example is the expenditure referred to in paragraph 33 of this report in connexion with Group of Engineers and Training Division.

50. The history of the meaning or meanings attached to the expression "overhead costs" in the United Nations family and the use made of extra-budgetary and budgetary funds of each organization to pay some of these costs are clearly indicated in the documents prepared on the subject by the ACABQ. In the Inspector's opinion, the two most interesting documents are A/5842 of 4 January 1965 and DP/77/Add.2 of 24 December 1974.

51. Document A/5842 (paragraph 17) states that:

"As has been stated earlier in this report, from the inception of EPTA and the Special Fund, the assumption has been that the fullest possible use would be made of the facilities provided under the regular budget for the administrative support of these programmes and only clearly identifiable additional costs, or part of them, would be charged to the voluntary funds in order that maximum resources could be available for operations."

52. In the second document, issued a few months ago, ACABQ reaffirmed the basic principle that the executing agencies should continue to provide from within their regular budgets "a substantial portion of the overhead costs of the extrabudgetary programmes" (paragraph 6).

53. As the Administrator of UNDP points out in his note on agency overhead costs (DP/77), there is no doubt that both the General Assembly, in its resolution 1240 (XIII), and the Economic and Social Council, in its resolution 222 (IX), envisaged the sharing of costs between the executing agencies and the financing body. The studies carried out by the Consultative Committee on Administrative Questions (CCAQ), a subsidiary organ of the Administrative Committee on Co-ordination (ACC), also proceed from the assumption that such costs should be shared and that, as the Governing Council of UNDP has repeatedly stated, "direct project costs" are those "attributed directly to a project's activity".

54. The largest part of costs not directly attributable to the project would be made up of the cost of established staff working part-time on technical co-operation

activities financed by non-regular funds, costs of programme planning, technical backstopping and post-project evaluation and follow-up.

55. According to the information supplied by the Administrator of UNDP in document DP/77/Add.4, several executing agencies were overdrawn, as at 31 December 1972, on their entitlements for overhead costs. The ITU comes fifth among the agencies overdrawn after the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations and the United Nations Industrial Development Organization (UNIDO). The sum owed by ITU to UNDP at that time was \$ 437,666. After an exchange of notes between the Chairman of the Administrative Council of ITU and UNDP, the Administrator submitted the problem to the UNDP Governing Council for consideration.^{7/}

56. At the January 1975 session of the Governing Council, a write-off of this amount was authorized (see paragraph 42 of this report).

57. The Inspector has noted that the ITU has made a great effort in keeping the increase of its Technical Co-operation Department budget at a very low level. For 1974, 1975 and 1976 the increase is only 4.9 per cent, 6 per cent and 10.5 per cent while the programme delivery increase shows the following percentage increases: 13.1 per cent for 1974, 36 per cent for 1975 and 20 per cent for 1976. The Inspector would be in favour of a further application to the ITU of the limited flexibility rule in order to help this agency to overcome its temporary difficulties and "on the basis of the special circumstances applicable to small executing agencies with identifiable staff units for executing projects financed by UNDP" (E/5656, paragraph 353).

58. Lately, the Union has requested of UNDP a "minimum guaranteed exchange rate for the dollar for the ITU overhead cost reimbursement".^{8/} According to ITU the application of a guaranteed exchange rate would mean that UNDP cover the deficit "until such time that the dollar value has reached the level of 3.30 Swiss francs".

^{7/} See the text of both notes in document DP/77/Add.4, Annex II.

^{8/} In September 1975, the Secretary-General of ITU sent to the Deputy Administrator of UNDP a note on overhead costs with the following sub-headings: Decrease in overhead earnings; guaranteed exchange rate; and Flexibility. (See Annex VI of this report.)

In practice, this would mean an increase of approximately 2.1 per cent in 1973, 1.4 per cent in 1974 and 0.9 per cent in 1975 for the overhead entitlement or rate. There is no doubt that the fluctuating exchange rate has a strong impact on all UNDP financial operations and particularly on the ITU technical assistance department costs.

59. The Inspector is sorry not to have dealt more briefly with the question of overhead costs, but he considers it particularly pertinent in the case of ITU, an executing agency which in practice has reluctantly accepted the idea that these costs should be "shared" with the financing body. Similarly, during the discussion on technical co-operation at the Malaga-Torremolinos Conference, particularly in Committee 6, there was a clear trend of opinion among many delegations that regular budgetary funds should not be used for activities of technical co-operation with less-developed countries. This position was also clearly stated by many delegates when the Conference discussed the establishment of a special fund for technical co-operation and the creation of regional offices.

60. The Inspector agrees that it is for Governments to decide whether or not the executing agencies should cover part of the overhead costs, and whether they should spend more of their regular budgetary funds on field operations. He would point out, however, that those same Governments are in favour, in some specialized agencies, of more active participation by the agencies - with regular budgetary funds - in technical co-operation activities. In the last analysis, all Governments, and particularly those of developing countries, are interested not only in the headquarters' activities of the agencies but also in the aid and assistance they can obtain in solving their day-to-day problems.

V. THE SPECIAL FUND FOR TECHNICAL CO-OPERATION

61. Delegates to the Plenipotentiary Conference at Malaga-Torremolinos stressed the need for ITU to increase the assistance it is supplying to countries in the form of technical co-operation. It was stated on that occasion that the time was now ripe for the Union to provide greater and much speedier assistance to developing countries so that the existing technological gap might be narrowed without much loss of time.

62. The need to strengthen the technical assistance rendered to developing countries prompted detailed discussions on the various possibilities open to the Union for that purpose. In addition to greater participation in UNDP projects, reference was made to the possibility of redistributing funds under the ordinary budget and allotting a greater proportion to technical co-operation. Various means of expanding ITU services in order to meet the needs of the developing countries were discussed at length.

63. The subject which received the closest attention from delegates, however, was the financial problem presented by the increase in the Union's technical co-operation activities. One of the proposals submitted to Committee 6 for consideration stated that:

"The ITU has been giving important assistance to countries under the UNDP. The procedures do not always permit a rapid response for urgent requirements, particularly for the needs of the small countries, and the UNDP procedures are complex and engage much administrative effort and sometimes delays" (Document No. 129-E).

In another of the proposals submitted, it was stated that:

"a very insignificant amount of the Union's budget is allocated to technical co-operation activities when, on the other hand, the main constraint in the extension of these activities is the shortage of funds".

64. In the words of the draft resolution which accompanied that proposal, the Plenipotentiary Conference would decide:

"to allocate a reasonable part of its budget to activities in the field of technical co-operation particularly with the intent to speed up the development of human resources in the telecommunication administrations in member countries and to improve the Union's means of rendering technical advice to these countries".

In addition, Members of the Union were invited to increase their contributions in cash or in kind to the technical co-operation programme (document No. 103-E (Rev.))

65. The discussion on the question centred upon a draft resolution submitted jointly by two Member States (document No. 89-E) proposing the establishment of an Emergency Fund for Technical Co-operation made up of voluntary contributions by countries, in the form of cash, fellowships, experts or equipment, to meet any urgent requests that might be submitted to ITU by developing countries. Two views were expressed on the proposal for the establishment of a special fund for technical co-operation activities. One group of countries favoured the provision of technical assistance exclusively through UNDP; another group favoured the establishment of a special fund made up partly of voluntary contributions and partly of funds from the ordinary budget. During the discussion of the question, stress was laid on the emergency nature of the assistance to be provided through the fund and on the need for additional resources in view of the new form taken by co-operation projects, which increasingly tended to be interdisciplinary. After the decision had been taken to establish such a fund, Committee 6 decided by majority vote that it should be made up solely of voluntary resources.

66. The Plenipotentiary Conference of 1973 adopted resolution No. 21 entitled "Special Fund for Technical Cooperation".^{9/} Since the Union does not have funds available from its ordinary budget to meet any urgent requests for technical assistance that may be made by States and, since it cannot have recourse to UNDP in such circumstances, the Conference decided in this resolution:

"to set up a fund, based on voluntary contributions in any currency or in some other form, to meet the needs of the developing countries who submit urgent requests for assistance to the Union".

67. The Secretary-General is to promote and administer the fund in conformity with regulations approved by the Administrative Council; the Council is to supervise the management of the fund and take all necessary steps to ensure its efficient operation and growth.

68. In the preamble to the resolution, it is made clear that contributions can be made by Governments, private operating agencies and scientific or industrial organizations. No consideration appears to have been given to the possibility of

^{9/} See Annex IV.

receiving contributions from other intergovernmental organizations, including world-wide or regional financing agencies. This type of contribution was not discussed when the question was dealt with in Committee 6 (document No. 410-E).

69. The text adopted was, to some extent, the result of a compromise between those who wanted to use the words "all possible sources" and those who opposed the contribution of funds out of the ordinary budget of the Union.

70. An important restriction was imposed on the special fund with the stipulation that the contributions of private operating agencies and scientific or industrial organizations "are subject to the approval of the administration of the donor country". However, in the opinion of this Inspector, it is clear that this restriction applies only to national agencies or organizations and not to international bodies.

71. A further practical difficulty which will arise in the operation of the fund is that of interpreting the words "to meet the needs of the developing countries who submit urgent requests for assistance to the Union". The expression "urgent requests" will have to be interpreted broadly, for it was made clear that the fund was not being set up solely to deal with emergencies such as natural disasters but also for other types of technical assistance which might be needed in a more immediate form than that provided through the participation of the Union in UNDP. These funds, as we know, are obtained only after an elaborate programming process.

72. The Administrative Council of the ITU in the June/July 1974 session, approved the Regulations for the Administration of the ITU Special Fund for Technical Co-operation (circular letter No. 492). The guiding principles of the Regulations are the following:

- "(a) priority should be given to requests for assistance in the form of the services of highly qualified experts with a view to solving specific and urgent problems in a short time;
- (b) assistance provided under the Fund may take the form of experts' services, short-term fellowships or donations or teaching or operating equipment;

- (c) contributions to the Fund could be in cash and in kind. Cash contributions shall not, in principle, carry reservations concerning their allocation; contributions in kind could be in the form of expertise for short-term missions, fellowships, apprenticeships, seminars, lecturers and equipment. Directives concerning the destination of assistance granted may be associated with offers of contributions in kind;
- (d) equipment offered as a contribution to the Fund may be accepted by the Secretary-General on condition that it may be used in connexion with a vocational training project administered by the Union; as part of assistance to a country in the event of natural disaster; or if the equipment is intended for the least developed countries as defined by the United Nations;
- (e) generally speaking, countries receiving assistance from the Fund shall contribute to defrayal of the local costs of a project in cash and kind as in the case of UNDP projects;
- (f) the Secretary-General shall be responsible for approving the projects submitted to him in the light of available resources;
- (g) to cover administrative costs, a contribution equal to the one fixed by UNDP for projects carried out by the Union as executing agency shall be deducted from the total amount payable by the Fund for the defrayal of project expenses;
- (h) the audit of accounts shall be carried out by a body appointed by the Government of the Confederation of Switzerland and in accordance with the principles governing the audit of Union accounts."

73. Furthermore, the activities under "Technical Assistance in Kind" were, from 1 January 1975, incorporated in the Special Fund. The Associate Expert Scheme, for which separate agreements are made between donors and the Union, will remain outside the Union's Special Fund. As of June 1975, the ITU has already received various offers of contribution to the Fund, in response to a circular letter of the Secretary-General.^{10/}

74. The Inspector regrets there is no provision in the Regulations for a priority treatment for the least developed countries (Malaga-Torremolinos resolution 19, paragraph 3).

^{10/} Contributions in cash - Barbados, Burma, Iraq, Madagascar, Mauritania; contributions in kind - Argentina, Syrian Arab Republic, Federal Republic of Germany, United Kingdom (Cable and Wireless Ltd.), Pakistan, Israel, Fiji, Sweden, Australia, France and Switzerland.

75. On the other hand, the Inspector does not fully endorse the criticism which has since been levelled at the Union for setting up the Special Fund for Technical Co-operation. A paper prepared for the Committee for Development Planning of the Economic and Social Council (E/AC.54/L.75 of 28 March 1975) gives a long list of funds in existence or proposed, within and outside the United Nations family, which are concerned with the needs of the developing countries. UNIDO has just set up a United Nations Industrial Development Fund. Under General Assembly resolution 3086 (XXVIII), paragraph 3, this fund may embrace "all voluntary contributions to the United Nations Industrial Development Organization other than those to the United Nations Development Programme". Further information on this fund will be found in the report of the Secretary-General, document A/9792. Nevertheless, in the Annual Report of the Administrative Committee on Co-ordination for 1974/1975 (document E/5675, Part II, paragraph 75, May 1975) a number of objections against the multiplicity of special funds are listed.

VI. REGIONAL OFFICES

76. At the Montreux Plenipotentiary Conference, lengthy discussions were held on the feasibility and desirability of the establishment of regional offices by the Union. The outcome of those discussions was the adoption of resolution No. 40, in which the Secretary-General was instructed to study the advisability of setting up regional offices and to report on the matter to the Administrative Council. The Council, as the permanent organ of the Union, was requested to submit, on the basis of the Secretary-General's report, its own recommendations to the next Plenipotentiary Conference.

77. The Secretary-General submitted a first report for consideration by the Administrative Council at its twenty-seventh session. This document contained a study of the new structure of UNDP, in particular in relation to country programming and the establishment of resident representatives' posts. In the Secretary-General's opinion, the establishment of ITU regional offices offered various advantages in connexion with the provision of technical co-operation and with other aspects of the Union's activities.

78. After studying this document, the Administrative Council reached the final conclusion that, if regional offices were established, they should be concerned exclusively with the provision of technical assistance. In order to avoid any confusion, they should be known as regional commissions for technical co-operation.

79. On the basis of this agreement reached in the Administrative Council, the Secretary-General was requested to submit a further document giving the necessary information on costs and benefits. In his new paper, the Secretary-General studied various possibilities for financing regional offices and gave approximate cost figures. However, the Secretary-General also expressed the view that the creation of regional offices was not an urgent problem and that the question could be dealt with at a later date.

80. The discussion on the subject at the Council's twenty-eighth session revealed a consensus to the effect that the regional offices ought to deal exclusively with technical assistance matters, but there was an appreciable divergence of opinions as to the sources of finance for the expenditure incurred by those offices. Several

members of the Council supported the view that the expenditure should be met with funds from UNDP; others considered that some officials at present working at Headquarters should be transferred so that the expenditure would in fact be met with funds from the ordinary budget.

81. However, the Administrative Council document makes no specific recommendation with regard to the establishment of regional offices.

82. At the Malaga-Torremolinos Plenipotentiary Conference, the question was discussed at length in Committee 6 (document No. 213-E et seq). The Inspector fully agrees with the Secretary-General's statement that since the introduction of the new operational procedure in UNDP "it had become vital for a telecommunication expert to act as adviser to the UNDP Resident Representative and to the telecommunication administrations".

83. The main obstacle to the establishment of regional offices was the lack of a source of financing. UNDP refused not only to meet the total expenditure incurred by such offices but even to cover part of their budget. Either the expenditure would have to be met out of funds from the ordinary budget or other sources of financing would have to be found. The Secretary-General reiterated his opinion that "the establishment of regional offices was no longer an urgent priority".

84. An interesting suggestion was made by one delegation which, after pointing out that the main obstacle to the establishment of regional offices was the problem of financing, referred to the possibility of establishing such offices under a system of "pool arrangements" with other organizations.

85. The Inspector regrets that on that occasion no reference was made to the fact that UNDP is increasingly disinclined to continue paying the regional experts and that it may stop each payment altogether, since its policy is to allocate funds exclusively to technical projects. The misgivings expressed by one representative about what would happen if UNDP were to withdraw its financial support from the regional experts, were not taken into consideration or discussed by the Committee.

86. With regard to the possible establishment of offices in Latin America and Africa, representatives from those regions stated that the regional organizations there had already expressed support for such a course. Both the Inter-American

Telecommunications Commission (CITEL) and the Arab Telecommunication Union (ATU) had adopted resolutions requesting ITU to establish such offices. Similarly, several representatives based their support for the establishment of regional offices on the principle of administrative decentralization. The United Nations General Assembly has, of course, adopted many resolutions calling even more insistently for the application of that principle.

87. After a long discussion and several votes, Committee 6 adopted a draft resolution in which, inter alia, the Administrative Council was instructed to establish, at the least possible expense, pilot offices in order to gain sufficient experience, and to report to the next Plenipotentiary Conference on the effectiveness of those offices and on the desirability or otherwise of establishing them on a permanent basis.

88. The Plenipotentiary Conference, at its eighteenth plenary meeting, examined the text adopted by Committee 6. In a secret ballot (45 in favour and 68 against, with four abstentions) the draft resolution to establish pilot regional offices was rejected (document No. 438-E, p.11). The main reason for that decision was that no comprehensive study had been made on the financial, administrative and technical consequences of establishing regional offices for technical co-operation.

89. The Inspector recognizes that - as was stated in Committee 6 - the less is spent on administrative infrastructure, the more resources remain available for direct technical assistance costs. In his opinion, however, the problem of regional offices is closely bound up with a fundamental consideration: the need to integrate the communications or telecommunications component into national and regional development plans, to which attention is drawn in paragraphs 126-132 of this report.

90. The Joint Inspection Unit, in its Report on the Regional Structures of the United Nations system (JIU/REP/75/2), has stated on this subject that a unified approach must be developed in the first instance at the country level. Once this is done, the development of such an approach at the sub-regional, regional and global levels will become easier.

91. At the country level the 1970 Consensus meant that, under the leadership of the UNDP Resident Representative, the programming of development became more systematic than before. However, as is stated in the report mentioned above:

"Teamwork and concerted efforts towards bringing about an integrated approach to country programming require inter-organization programming teams. This, in turn, requires much closer horizontal inter-disciplinary co-ordination among the organizations of the system than has hitherto been the case."

92. In other words, it will be difficult for ITU to pursue an almost exclusively sectoral programme of technical assistance without striving for a closer relationship between communications and development. From this point of view the presence of an expert is needed at the pre-programming stage of relatively large-scale projects in order to see whether communication should or should not be one of the project components. Does ITU consider that this task can be performed efficiently, at the national, sub-regional and regional levels, by the regional experts?

93. The functions of the regional experts were defined by the Administrative Council in resolutions 498 and 529. In the latter resolution, the Council instructed the Secretary-General to prepare instructions on regional technical co-operation in order to give guidance to the regional experts themselves as well as to the Headquarters staff concerned with technical co-operation activities. In the annex to the resolution, the Council stipulated various points to be included in the instructions to regional experts. The view taken at the time was that "regional experts are the best possible link between ITU Headquarters and the various regions".

94. With minor modifications required by the changes made in the United Nations Development Programme, it is considered that these instructions are still valid. In the report submitted by the Secretary-General to the Administrative Council at its twenty-fourth session No. ^{3862-E}(CA24-30), reference is made to the desirability of widening the scope of the regional experts' duties, in particular with regard to the planning and programming of country and regional development projects. The Secretary-General goes on to say:

"This would be in addition to the duties and responsibilities stipulated in their job descriptions and those set out in the directives for regional experts. As far as the planning and programming of new projects is concerned, the regional experts should, as and when instructed by the Union:

- make preliminary contacts with the national telecommunication authorities and the UNDP resident representatives in order to investigate the possibilities for the provision of assistance in the field of telecommunications under the UNDP;

- gather the relevant information permitting the Headquarters to assess and elaborate the project requests for consideration by the national governmental authorities;
- ensure that the necessary measures are taken by the national telecommunication authorities for the correct channelling of requests;
- obtain the support of the UNDP resident representative for the projects prepared by the Union;
- assist in the preparation and negotiation of Plans of Operation for UNDP Special Fund assisted projects;
- participate in the preparation of job descriptions for expert posts;
- co-operate closely with the Area Divisions of the Technical Co-operation Department;
- furthermore, the regional experts may be called upon, when it is deemed necessary, to help the experts sent to a particular country in the performance of their missions.

In conclusion, strengthening the role of the regional experts meets the need to develop still further the technical co-operation work done by the ITU on a regional scale.

Consequently, the regional experts would have to be in more frequent touch with the competent authorities of the region concerned and would co-operate more closely with the resident representatives.

To give them more authority, it is proposed that they come under the direct orders of the Secretary-General, which would also ensure better liaison between the ITU and the competent authorities of the region concerned."

95. The strengthening of the role of the regional experts has not been very successful in the opinion of the Inspector. In the last document available on the Role and Functions of the Regional Experts, the following functions are indicated:

Direct assistance to Administrations

Provide, as requested, advice on network planning or development, management, services organizations or operations, training requirements, etc.

Identify when requested, "sensitive points" of technical, administrative, financial and operational nature where remedial steps are required and propose adequate solutions.

Promote the transfer and utilization of advanced technology in the telecommunication sector to and within their sub-regions.

Assistance in connexion with UNDP-financed activities

Assist in the preparation of project proposals or documents at the request of the countries or resident representatives concerned.

Provide the resident representative with information required for preparation or revision of country programmes or projects and participate in the relevant meetings, as and when required, including evaluation missions.

Propose to ITU Headquarters new regional or inter-regional projects.

Preparatory assistance in support of UNDP/ITU objectives in the field of telecommunications development

Analyse the situation of the telecommunications sector in the countries under their jurisdiction.

Assist the Telecommunication Administration in evolving development targets to be achieved in the national, regional and sub-regional context.

Maintain liaison with international, regional or sub-regional organizations interested in the development of telecommunications such as: Regional Banks, UN Economic Commissions, other UN Agencies, sub-regional development organizations.

Provide ITU with information concerning bilateral inputs in relation to any UNDP/ITU inputs that may be contemplated and ensure co-ordination, as appropriate.

96. The most important task of being the organization's "voice and eye" on project formulation, preparation and implementation (including in-project and post-project evaluation), is reduced to a minimum. The relationship between the regional experts and project managers/experts gives us an idea of the very limited functions and authority of the regional experts vis-à-vis other ITU experts. They can do very little without prior "instruction from headquarters". The responsibilities are the following:

(a) Preparation and review of Country Programmes

For the preparation of a country programme or review, the regional expert will normally be requested to represent ITU at such meetings. If and ITU Headquarters official participates in this meeting, the regional expert should attend as an adviser to the Headquarters representative.

(b) Project formulation, preparation and implementation

In most cases, the regional expert initiates preliminary action for the execution of projects. This participation can include preparation of a draft project document and job descriptions depending on whether or not a Project Manager is appointed for the formulation and preparation of a project. In any case, the regional expert's responsibility comes to an end when the Project Manager/expert in charge of the project arrives. This does not mean that the regional expert should lose interest in the implementation of the project. He will in no way be personally responsible for its execution but should keep himself informed of its development, impact, activities and problems so as to be able to assume responsibility for its follow-up. For this purpose, the regional expert should receive a copy of the reports prepared by all the ITU experts assigned to the countries of his jurisdiction and send his comments, where necessary, to ITU Headquarters within two weeks of its receipt.

In carrying out this task, the regional expert should principally scrutinize the progress reports prepared by the Project Manager/expert and, during his periodic visit to the countries, discuss the different aspects of project implementation with the expert concerned. At the request of the Project Manager/expert, the regional expert may approach the local authorities with a view, for example, to solving problems affecting the implementation of the project. The regional expert is not required to discuss with individual expert(s) working under the general supervision of a Project Manager, matters related to the project, unless specifically invited by the Project Manager.

At the request of the ITU, the Administration or Resident Representative concerned, the regional expert should examine problems affecting the

implementation of a project, discuss them with the Project Manager/expert concerned and recommend appropriate remedial action.

(c) Tripartite review

The Project Manager/expert concerned will normally be requested to represent ITU in such meetings. If ITU Headquarters sends a representative to this meeting, the Project Manager/expert concerned should attend as an adviser to the ITU representative.

(d) Evaluation mission and mid-term project review

The regional expert may be requested by ITU Headquarters to participate in such missions or reviews, either as representative of the ITU or as an adviser to the ITU Headquarters representative.

(e) Project follow-up

After the departure of the Project Manager/expert, the regional expert is responsible for assisting the Government, the Resident Representative and ITU in making an assessment of the benefits derived from the project and in proposing any other requested follow-up action.

97. It has been mentioned before in this report that the regional experts are being paid from UNDP funds. In the project document RLA/7a/016/A/01/20 (Regional Experts for Latin America), it is stated that the activities of the regional experts could be divided into two categories:

- (i) Direct assistance in the telecommunication sub-sector, be it through the expert on the basis of his experience and speciality or with the aid of other experts available at ITU Headquarters or furnished by intermediaries of the same, and
- (ii) Assistance in the general aspects of public telecommunications development.

98. With reference to point (ii), one of the specific tasks of the regional experts is the following:

- at the request of the interested countries, assist the telecommunications authorities in the formulation of their technical assistance programmes. Propose to ITU Headquarters the projects that can be undertaken within

the regional or inter-regional framework. Furnish the UNDP resident representatives with all the necessary information during the preparation and revision of the national assistance programme and specific projects and offer them help so as to ensure the greatest amount of success in the projects related to the development of the telecommunications sector, assisted by UNDP and other bodies.

99. UNDP is of the opinion that the need for regional experts should be discussed on a region-by-region basis; and that the cost should be included as an input in the project document of large regional projects.

100. As already stated, the regional experts at present work within the Area Divisions. There are three experts for Africa, one for Asia and two for the Americas.

101. The primary duty of regional offices, whether of ITU or of any other organization in the system, is to take an active part in the national development programmes of the countries of the region. This function is perhaps more important in ITU than in other organizations in view of the trans-national character of its services.

102. At the regional level, the Director-General of FAO once proposed that the executive secretaries of the regional economic commissions should act as regional representatives of the Organization. Several of the smaller organizations in the United Nations system have appointed the resident representatives as their representatives in the countries concerned. Others, such as FAO, maintain an expert at the country office of UNDP to act as senior adviser to the resident representative. FAO also maintains at each regional economic commission a joint FAO/commission unit on agricultural questions, whose expenditure is shared. Other organizations also maintain joint offices in order to keep costs down. All these various ways for an organization to make its presence felt in the field or in individual countries at the lowest possible cost have been described in the Joint Inspection Unit's above-mentioned report (JIU/REP/75/2), and there is no point in repeating the descriptions here.

103. The main need with regard to ITU is to study the various procedures whereby it may participate much more directly in development programming than it does at

present. Such participation, as already pointed out, should begin at the pre-programming stage, bearing in mind that the United Nations system is moving away from the "project" concept towards the "programme" concept. ITU should pay special attention to this tendency.

104. In the analytical summary of the Report on the Activities of ITU in 1973 (E/5512) submitted to the Economic and Social Council for consideration, attention is drawn to the two most significant constraints on the rational execution of technical co-operation projects (para. 5.5): the difficulties encountered in the timely bringing together of the elements necessary for field operations, and inadequate support and supervision of field operations due to the heavy workload of the technical co-operation staff at ITU Headquarters.

105. The Inspector need not remind the reader that it is increasingly important in the United Nations system to improve the existing methods and procedures of project evaluation. This need is felt at the two most important stages, namely in-project and post-project evaluation. It is difficult to conceive how ITU can, now or in the future, make a rational evaluation of its projects without strengthening the very foundations of its institutional machinery for technical co-operation.

106. Another activity which could be strengthened in ITU is the back-stopping of the project managers and experts responsible for the execution of projects, even recognizing that the situation has greatly improved in recent years. The performance of this function still leaves something to be desired in most organizations of the system. For this reason, JIU may in the near future prepare a system-wide report drawing attention to a number of shortcomings and making recommendations. However, in view of the diversity of countries, economic and social situations, human resources available and so on, the agency experts at work in the region concerned are obviously in the best position to provide the necessary technical support for national and sub-regional projects.

VII. DEVELOPMENT OF HUMAN RESOURCES

107. As already stated, the Union has concentrated its technical co-operation activities on pre-investment studies, advising national telecommunications administrations and training technical telecommunications personnel. There can be no doubt that, of these three activities, the one which has both merited and received the most attention - and of which the countries are most in need - is the training of technical personnel, or in other words, the development of countries' human resources to meet the steadily increasing requirements of the communications services.

108. In the Administrative Council report already mentioned, it is stated that practically all the Union's technical co-operation missions contain an element of training of local staff, be it on-the-job training, advice in regard to training, organization of training or direct instructional or lecturing duties. The report goes on to say that an average of more than 50 per cent of all ITU experts were directly engaged in training in various forms and that more than 60 per cent of total field expenditures were devoted to the development of human resources (section 5.1.2).

109. Generally speaking, technical co-operation by the Union in the development of human resources is extended to the developing countries both at home and abroad. Within the country, this co-operation takes the form of training national counterpart staff for projects, running training centres and holding seminars. Abroad, assistance is given in the form of fellowships and of technical co-operation extended in kind by various countries. Other forms of such co-operation are seminars and individual or collective training courses. In extending such co-operation, the Union makes use of experts, associate experts, volunteers and lecturers. ^{11/}

^{11/} There is an interesting article in the Telecommunication Journal, August 1973, p. 516, entitled "Introduction to the concept of the development of human resources by means of technical assistance".

110. The concept of "technical assistance" has undergone considerable changes in recent years, particularly as regards the components of such assistance. There can be no doubt that, with regard to human resources, requirements must be taken into account country by country, for circumstances vary widely from one country to another. The Inspector agrees with the UNDP representative who, at the Administrative Council's twenty-ninth session, declared that in some of the less-developed countries it was not enough to provide experts and equipment, and that the other factors needed for the success of the project must also be supplied. In agricultural projects for instance, in addition to the expert and his equipment, it was necessary to provide seeds, vehicles and essential services.

111. The most interesting suggestion which the UNDP representative made - and with which the Inspector wholeheartedly concurs - was that consideration should be given to the advantages of project managers being nationals of the country. This possibility should also be open in the case of other experts. On this point, which would mean a complete change in policy regarding the employment of national experts, the Inspector would draw attention to an article published in Development Forum, April 1975. The Malaga-Torremolinos Plenipotentiary Conference adopted resolution 22 on the Recruitment of Experts for Technical Co-operation Projects, but this did not deal with the special problems of the utilization of "national experts".

112. Of the 10 resolutions on technical co-operation adopted at Malaga-Torremolinos, three have a direct bearing on the development of human resources. These are resolution No. 23 on Training Standards, resolution No. 24 on Training of Refugees and resolution No. 25 on Seminars. ^{12/} The Inspector sees no need to analyse these resolutions or to refer to the interesting discussions held on the subject in Committee 6. Suffice it to say that the importance of the work being carried out by the Union was generally acknowledged but that at the same time some suggestions were put forward concerning possible ways of improving and strengthening the Training Division of the Technical Co-operation Department. In this connexion, the Inspector believes that some of the suggestions made in document No. 62-E of the Plenipotentiary Conference are worthy of consideration with a view to rationalizing the services of the Training Division.

^{12/} See Annex V.

113. The duty of that Division as set forth in document No. ^{3862-E}~~(CA24-30)~~ is to give effect to the decisions made in Montreux resolutions Nos. 31 and 34 (Malaga-Torremolinos Nos. 23, 24 and 25) and to compile information permitting:

- the preparation of standardized syllabi, curricula and lists of equipment for different types of training;
- the assessment of modern teaching methods and the introduction of those which would be appropriate for use in telecommunication training; and
- the elaboration of standards for examinations, to ensure uniform graduation for countries which desire an external check on their level of training.

114. The above-mentioned report of the Administrative Council, in a more detailed list of the types of aid extended by the Union to the developing countries, mentions the following:

- advisory assistance;
- operational assistance (OPAS);
- establishment or expansion of institutions for professional and vocational training in telecommunications;
- creation of test and development centres;
- award of fellowships;
- organization of seminars and group training;
- feasibility surveys and pre-investment studies;
- sub-contracting of projects.

115. The Union trains telecommunications technicians at three separate levels: basic, medium and advanced. The Secretary-General, in his statement to Committee 6 (document No. 130-E, Annex I), states that, to train technicians at the basic level, each country should have at its disposal a national school. For training medium-level staff, countries should establish national centres if their resources permit.

Where they do not, the Union has encouraged the establishment of regional centres to train technicians from several countries. The most interesting examples of this type are the regional centres at Rufisque (near Dakar), Nairobi and Malawi. There is also a multinational centre in Central America.

116. The holding of seminars - another method of training, whose importance is emphasized by Malaga-Torremolinos resolution No. 25 - will meet with some difficulties in the immediate future because sufficient financing has not been forthcoming from UNDP. The rapid development of telecommunications technology makes this method particularly appropriate for retraining and "refresher" purposes. ^{13/}

117. Another method used by the Union to bring technical knowledge up to date is the programme of technical assistance in kind. The more developed countries have been invited to receive technicians from developing countries into their national administrations, industrial establishments and training centres at little cost to the Organization.

118. The United Nations Volunteers Programme and the employment of associate experts have also enabled the Union to expand its technical co-operation work, in most cases at no cost to the Organization.

119. The needs of the least-developed countries of Africa for telecommunications technicians formed the subject of an ITU/UNDP exploratory mission. The special office established by the United Nations to co-operate with the least-developed countries has also begun to evaluate needs at the regional level in the Sahel and other parts of the world. Clear guidelines for preferential treatment of least developed countries are established in resolution 19, Malaga-Torremolinos.

120. The Secretary-General, in his analysis of Malaga-Torremolinos resolution No. 23, ^{14/} states that the objectives of the resolution are to collect information

^{13/} The Inspector was very favourably impressed by the objectivity and critical attitude shown by Union technicians in assessing the results of the seminar on vocational training held at Geneva in October 1974.

^{14/} Telecommunication Journal, December 1974.

on the developing countries' needs and to make appropriate recommendations to those countries for the solution of training problems. As to the first objective, the Area Divisions of the Technical Co-operation Department have already made an evaluation of the quantitative and logistic needs that determine the nature and scope of the assistance to be provided. To obtain a better idea of these needs from a qualitative and pedagogic standpoint, the Training Division, in co-operation with the Regional Divisions, is to make an analysis of the vocational skills and abilities required for more effective attainment of these objectives. Special emphasis will be placed on training countries' own instructors. As to the second objective of making recommendations to States concerning the best way to solve their training problems, a working group has been set up composed of specialists from all parts of the world. This working group (which has established three subgroups) has devised pilot projects on the training of linesmen, the production of teaching materials and the standardization of the training of crossbar exchange maintenance technicians.

VIII. THE INTERNATIONAL TELECOMMUNICATION UNION AND GENERAL
ASSEMBLY RESOLUTION 3202 (S-VI) - THE NEW INTERNATIONAL
ECONOMIC ORDER

121. Resolutions 3201 (S-VI) and 3202 (S-VI) adopted by the United Nations General Assembly at the special session held in April-May 1974, mark, in the words of the Secretary-General of ITU, "a decisive turning point in the history of mankind".^{15/} The International Telecommunication Union welcomed enthusiastically "the opportunity offered to co-operate, within the sphere of its competence, in implementing the Programme of Action on the establishment of a new international economic order". Such a task was all the easier for the Organization because many of its present activities aimed at assisting the developing countries were entirely in accord with the general guidelines laid down in resolution 3202 (S-VI). All that was needed was to intensify those activities within the limits of the resources now available and of resources that might be allocated in the future. Some of the areas in which the development of telecommunications might have a decisive influence on the execution of the Programme were maritime telecommunications, the transfer of technology and the development of human resources. ITU thought it would be useful to draw up an inventory of the telecommunication requirements of the least-developed countries.

122. The Inspector agrees with the views expressed by the Secretary-General. In addition, he believes that resolution 3202 (S-VI) marks a turning-point for the United Nations family of organizations in relation to their present work programmes. The problems of development are the most important problems the international community has to face. The main task of the agencies of the United Nations family is to co-operate with countries in attaining rational and consistent development goals. This is basically a field task. So far as possible, the agencies should be where the Governments are, helping them with their day-to-day problems.

123. Such help is of particular importance in fundamental matters such as countries' infrastructure. The resolutions adopted and recommendations approved by the General Assembly, the Economic and Social Council and other legislative organs of the United Nations system give the impression that they are sometimes based on an assumption which does not hold good in every case: namely that the developing countries

^{15/} See Telecommunication Journal, Vol. 41, VIII/1974.

already possess the infrastructure they need in order to benefit from the application of resolutions which presuppose the existence of normal channels of communication, transport routes and so forth. A country's physical infrastructure is basic to any development process, and a fortiori to any process of social and economic integration. In this respect telecommunications have not been given their rightful priority in national development programmes. ITU documents and, more particularly, the statements made by government representatives at the Plenipotentiary Conferences often recount the difficulties met with in obtaining for telecommunications not only priority treatment but even equal treatment with other components of development. This makes it difficult for the international organization to take more positive action and adversely affects national development programmes.

124. The Inspector has no hesitation in saying that resolutions 3201 (S-VI) and 3202 (S-VI) on the New International Economic Order and its Programme of Action should have a direct impact on the work programmes of the international organizations. These programmes should be adjusted to the needs of the developing countries, so that all elements of the United Nations system can be directed towards the implementation of the Programme of Action. This, moreover, would strengthen "the role of the United Nations in the field of world-wide co-operation for economic and social development" (resolution 3202 (S-VI), section IX, para. 1).

125. If this statement holds good for all the organizations of the United Nations family, it is particularly true of the International Telecommunication Union. If there is any field in which - given the advances being made at the present time - the developing countries need an effective transfer of technology, and any field in which effective co-operation is needed between States, it is that of telecommunications.

126. Moreover, the Inspector believes that the problem of telecommunications (in the general sense of the term, including radio, telephone, television, etc.) has acquired, in addition to its predominantly technical aspect, a marked social and cultural connotation. In this sense, it is difficult at the present day to conceive of an exclusively technical organization which would be solely concerned with the "procedure" of communication, to the neglect of other, interdisciplinary factors.

A modern national telecommunications network must be designed to meet the country's requirements with due regard to its territorial variety, the prevalence of agriculture and animal husbandry, the embryonic industrial centres and the needs of practical and continuing education. In any programme of national development, and in every project forming part of such a programme, account should be taken of the state and facilities of the country's network of telecommunications in the widest sense of the term. ^{16/}

127. The Inspector was therefore surprised to find that, when the Preparatory Committee for the Second United Nations Development Decade, a subsidiary organ of the General Assembly, came to study the suggestion put forward by bodies and organizations in the United Nations system concerning the strategy to be followed in this new period of international development, it considered no opinions or suggestions from the ITU (A/AC.141/L.18 and Add.1-4).

128. Among the suggestions from UNESCO there was one relating to purposes and tasks which are shared between UNESCO and ITU:

"12. The mass communication media - radio, films, press agencies and television - play an important role in economic and social progress. By disseminating knowledge, they provide elements which affect motives and thus contribute to the necessary mobilization of human resources. They permit increased participation in public affairs and increased national cohesion, while new communication techniques offer special facilities which make it possible to accelerate and expand the educational process. For that reason, it is important to establish a communications infrastructure which reaches all rural and urban areas and is accessible to all social classes, and to provide the necessary resources to permit communications to be used for education. The programmes to be established should relate to production (studios, printing plants, etc.), dissemination (ground or satellite networks, telex, facsimile composition), reception (availability of television receivers, cinemas, newspapers: the objectives proposed in that connexion are given in Table I above), servicing and maintenance of equipment, research and observations of the effects of communications (making it possible to verify the existence of communication and to stimulate a mutual exchange of information between producer and consumer) and training (including the training of users such as teachers and health personnel).

^{16/} The Department of External Relations of the General Secretariat should have an active participation in strengthening the relationships Telecommunication/Development in a multidisciplinary context.

Lastly, the organization of documentation, based on a solid national and international infrastructure (institutions, personnel, equipment), is essential for forecasting and planning, without which development is left to chance" (A/AC.141/L.18/Add.2).

It should be mentioned that UNESCO and ITU have worked together on the educational communication project for Latin America.

129. The report of the Joint Inspection Unit on the Regional Structures of the United Nations system (JIU/REP/75/2) draws attention to the emphasis placed by the General Assembly and the Economic and Social Council on the need for the United Nations system to begin making a unified or integrated approach to development. Paragraph 7 of the report states:

"Indeed the necessity for the progressive integration of social and economic goals and programmes makes it imperative to consider social programmes as an essential factor in the process of economic growth.".

130. Furthermore, the General Assembly requested those bodies responsible for the implementation of the International Development Strategy for the Second United Nations Development Decade - including the International Telecommunication Union -

"to aim at the most effective integration of policy measures across the different sectors, based, inter alia, on the principles and guidelines embodied in the unified approach" (General Assembly resolution 2681 (XXV)).

131. This means that development programmes, whether national, regional or global, in which organizations of the United Nations family participate, should take into account not only the economic components of such programmes but also their social components. It stands to reason that, if the country or region in which these programmes are to be executed lacks a minimum of infrastructure as regards transport and communications, the programmes will show a poor return. ^{17/}

132. In other words, any development planning must start with an assessment of infrastructural requirements as a prerequisite for the subsequent programming of

^{17/} The Inspector was surprised to find out that in the programme of activities for helping the establishment of a new international economic order of the three institutions forming the World Bank, there is not a single reference to telecommunications (Doc. E/5629) but the financial support of the Bank to transportation is cited many times. See also para. 123

activities with an economic and social content. This, which seems a self-evident truth, has received scant attention in the programming of many projects. Only when the project reaches the field has it been discovered that the area of the country or countries where the project is to be executed is almost completely cut off from other centres by the lack of communications services.

133. It is therefore necessary that the International Telecommunication Union should participate directly in the initial stage of discussion of projects of a certain magnitude, and that an inventory of the available institutional resources and services should be made. This primary task should be carried out at country level. It is becoming daily more difficult to find projects which are exclusively sectoral, and daily more necessary that the United Nations family should work at the country level as a team.

"Teamwork and concerted efforts towards bringing about an integrated approach to country programming require inter-organization programming teams. This, in turn, requires much closer horizontal inter-disciplinary co-ordination among the organizations of the system than has hitherto been the case" (JIU/REP/75/2, para. 577).

134. Although General Assembly resolutions 3201 (S-VI) and 3202 (S-VI) on a new international economic order lay special stress on economic considerations, this by no means signifies that the United Nations family should not make a unified approach to its development programmes. This has been pointed out on various occasions by the Secretary-General of the United Nations and the Administrator of UNDP, and is repeated in subsequent General Assembly resolutions. The question was raised directly by Mr Maheu, the former Director-General of UNESCO, at the fifty-seventh session of the Economic and Social Council:

"The now sacrosanct expression 'a new international economic order' should not be taken too literally, lest it should seriously mislead us as to the extent and the very nature of the undertaking. It was of course natural that the discussion at the sixth special session of the General Assembly should have emphasised economic questions and solutions, because they are of fundamental importance and because it was the economic crisis that had stimulated awareness of the need for a new world order. The social dimension, however, is as important as the economic dimension, because it is both an integral part of development and an integral part of any work for international justice. The social dimension is an integral part of development; let us not go back on this decisive gain of the First Development Decade, which is now universally recognized."

135. The part that ITU should play in relation to the new economic and social order is also connected with a matter in which the Organization has, by its very nature, its own work to do: namely, the transfer of science and technology in the field of telecommunications to the developing countries. In its aims and objectives, the International Telecommunication Union is essentially an agency responsible for the transfer of technical know-how. The Inspector agrees with the Advisory Committee on the Application of Science and Technology to Development (ACAST) that one of the main tasks of the organizations of the United Nations family is to assist countries in integrating science and technology into development plans. This action, if taken by the United Nations system:

"could significantly improve the capability of human society to cope with its growing predicaments. The immediate objective of this action would be the effective integration of science and technology into development, safeguarding against the misapplication of science and technology and enhancing the prospects of improving the human condition" (E/AC.52/XX/CRP.5, para. 67).

136. In this context, the International Telecommunication Union should lay special stress on the transfer of technology connected with rural development. The World Plan of Action for the Application of Science and Technology to Development states:

"In this section, the dominant stress will be on the application of telecommunications media to rural development, which embraces by far the larger proportion of the population of developing countries."

According to the World Plan of Action, a goal of the United Nations Development Decade should be to make telephones serve at least 80 per cent of the rural population in developing countries. This goal is far from being attained.

137. The Inspector has read with interest the report on "Implementation of the Declaration and the Programme of Action on the Establishment of a New International Economic Order: activities of organizations of the United Nations system" (E/5629), which contains, inter alia, a description of the work which ITU is doing or intends to do in the future. An immediate response by ITU to resolution 3202 (S-VI) "would be provided by intensifying present activities within the limits of the resources now available and those which may be allocated in the future". The ITU report adds:

"Due to its highly specialized field of work the action of ITU in response to the resolutions will necessarily be more limited than that of other organizations of the United Nations system with broader fields of activity."

138. As already stated, ITU has three main activities under the heading of technical co-operation: promotion of the development of telecommunication networks in Africa, the Americas and Asia; strengthening the national technical and administrative services of telecommunications in developing countries; and the development of human resources in that sector. The Inspector considers that these tasks, although important, by no means exhaust ITU's potential for participation in the formation of a new economic and social order.

139. ITU should reorient its programme of technical co-operation, remove it from its present almost exclusively sectoral setting, and link it more closely with the development programmes of the various countries. In order to do this, in the Inspector's view, two things are necessary: active participation by ITU in the pre-programming phase of national, subregional and regional projects, and closer collaboration by ITU with other various aspects of development. A good example is the UNESCO mass communication project, in which ITU has collaborated very closely. Similar collaboration is needed with FAO, WHO and ILO, etc., in projects which must of necessity take telecommunications services into account.

140. The Inspector is well aware of the difficulties for any organization in the transfer from isolated projects to integrated programmes. The transfer from a sectoral approach to technical problems to a multidisciplinary approach to socio-economic-technical problems closely related to development, is also not an easy task. Reading the long list of UNDP/ITU projects, there is a feeling of fragmentation of efforts, even in the technical field. The Inspector could not get the impression - mainly in the field of development of human resources - that the Union has specific targets for which it is aiming. The large number of national/medium-level training projects should be consolidated in a limited number of training institutions working on a regional or sub-regional basis. They should be training institutions for training, and the transfer of technology between developing countries themselves and the standardization of training manuals and equipment should be taken care of as far as possible.

141. The distinction between central technical services and programmes of direct assistance to Member States no longer has validity. Whether the projects are initiated at country, regional or global level, all the Organization's activities are part of a whole and mutually supporting. Even in the case of technical co-operation projects, it is difficult to conceive and implement activities at different levels in complete isolation from one another. "Each activity should contribute in its own way, at the appropriate level, to the attainment of the objective of the overall programmes of which it forms a part."^{18/}

142. The Inspector does not want to go into the structural aspects of the ITU; nevertheless, he thinks the observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions on this problem, as stated in Document A/7765, 1970, have increased value today. The federal structure of the Union, which is "without parallel in the UN system", is it or is it not a great constraint to the Union's ability to discharge its present day functions? Is the present fragmentation of the staff into three Specialized Secretariats and one General Secretariat the best way for the Union to fulfil the needs of the countries for an increased international technical co-operation, in face of the dramatic development in mass communications? The Inspector believes, even recognizing it is a time-consuming and painful exercise and that the distribution of technical responsibilities should be maintained, that the Union should pay attention to and discuss in full these challenging questions.

^{18/} See WHO document EB55/WP/3, p. 38.

RECOMMENDATIONS

(1) ITU and the new international, economic and social order (paragraphs 121-142)

(a) One of the main contributions of ITU to the new international, economic and social order could be to help developing countries to be more aware of the fundamental role telecommunications play in any programme to improve human living conditions and to ensure more equitable international trade relations.

(b) The predominantly "sectoral" or technical approach to telecommunication problems (including mass communication) should be broadened to take into account the growing interlocking aspects of telecommunications with social development, including education and public information.

(2) Institutional problems (paragraphs 10-30 and 76-106)

(a) The ITU should formulate a "programme" of technical co-operation. This programme should be the result of the combined efforts of all the permanent organs of the Union, the final responsibility being vested in the Secretary-General.

(b) The Union should review its present working procedures to enhance the role of technical co-operation with developing countries. The need to up-date its institutional structure, with a view to facilitating this task should be discussed in depth by the Administrative Council and the organs of the Union.

(c) The Department of Technical Co-operation should be strengthened and better use of the experience and know-how of the permanent organs of the Union should be made.

(d) The Union should study, in view of the marked preference expressed by all developing countries for direct technical assistance over Headquarters activities, the different possibilities which exist to increase field presence. Until a decision is taken in the matter, UNDP should keep funding the regional experts cost. The regional experts should be more closely connected with the programming, execution and evaluation of UNDP funded projects. In this respect a wider delegation of authority from Headquarters is required. The working arrangement with the regional economic commissions should be strengthened.

(3) Financial problems (paragraphs 31-75)

(a) The Special Fund for Technical Co-operation should give priority to such matters as natural disasters and the needs of the least-developed countries.

(b) The Union should study the possibility of resorting to the international credit institutions as main contributors to the Special Fund.

(c) In view of the growing needs of the developing countries and the reiterated insistence on "field activities" rather than on "headquarters activities", the Union should increase the use of funds from the regular budget, for technical co-operation activities, including the payment of part of the overhead costs.

(4) The ITU Technical Co-operation programme (paragraphs 5-9 and 107-120)

(a) The relationship between telecommunications and development and the relationship between the programme of technical co-operation and the national development plan of each country should be emphasized by the ITU in order to get wider international and national support.

(b) The main task of the ITU should be the development of human resources in the telecommunications field. A full inventory should be made of existing manpower, in order to meet the needs of the countries in a medium and long-term planning.

(c) The establishment of institutions for training on a regional or sub-regional basis should be encouraged, utilizing fully the already existing institutional possibilities of the countries concerned.

(d) At the country level - as at the regional and global levels - the technical co-operation in-put of the Union should begin at the pre-programming stage, taking into account the inter-connexion between telecommunications and development.

(e) At all stages of the discussion of the country programme with local authorities, the Inspector considers it essential that the UNDP Resident Representative should have easy and quick access to the advice of telecommunications experts.

(f) The ways and means of transferring telecommunications technology between developing countries should be fully explored. The use of national experts in UNDP/ITU projects should be encouraged.

(g) Since the bulk of the population of developing countries lives in rural areas, the improvement of rural telecommunications should have priority in the technical co-operation programme of the Union. The development of human resources should be closely related to the development of rural telecommunications.

ANNEX I

UNDP/ITU Projects

(Source, UNDP Compendium of approved projects as of 30 June 1974)

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
<u>AFRICA</u>		
Botswana	BOT - 72 - 024	International Telecommunication Tariffs and Rates (1972/73) 15.263
	BOT - 73 - 002	Advisor to the Director of Posts and Telecommunications (1974/76) 60.000
Burundi	BDI - 72 - 001	Telecommunications (1972/74) 17.725
Central African Rep.	CAF - 68 - 012	Telecommunications (1968/73) 172.903
	CAF - 72 - 016	Higher School of Telecommunications (1972/73) 2.587
Chad	CHD - 68 - 012	Telecommunication Training (1968/76) 338,008
Comoro Islands	(no country project)	
Congo	(no country project)	
Dahomey	DAH - 71 - 001	Postes et Télécommunications (1971/74) 132.001
Equatorial Guinea	EQG - 69 - 006	Telecommunications (1970/74) 152,511
Ethiopia	(no project)	
Gabon	(no project)	
Gambia	GAM - 68 - 006	Telecommunications (1968/75) 169,449
Ghana	GHA - 64 - 512	Telecommunications Training Centre, Accra (1964/73) 982,112
	GHA - 68 - 018	Air conditioner maintenance (1969/74) 107,256

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Ghana (cont'd)	GHA - 68 - 020	Telecommunications (1969/75) 18,728
	GHA - 72 - 105	Assistance to the Department of Post and Telecommunications (1973/75) 122,851
Guinea	GUI - 68 - 028	Telecommunications (Equipment Maintenance) (1969/75) 203,203
	GUI - 72 - 005	Prospection et Etude du Réseau National de Télécommunications (1972/74) 70,000
Ivory Coast	(no project)	
Kenya	(no project)	
	<u>KEN</u> - 68 - 001	Transport and Communications, UN (1968/75) 101,425
Lesotho	LES - 70 - 001	Telecommunication Tariffs (1970/74) 74,455
	LES - 72 - 006	Post and Telecommunications (1972/75) 72,065
	LES - 72 - 064	Chief Engineering (Telecommunications) (1972/75) 45,325
Liberia	(no project)	
Madagascar	MAG - 64 - 505	National Institute of Telecommunications and Posts (1964/74) 1,171,654
Malawi	MLW - 73 - 001	Telecommunications Training (1973/75) 47,268
Mali	(no project)	
Mauritania	MAU - 71 - 001	Telecommunications (1971/75) 114,809
	MAU - 73 - 006	Exploitations des Télécommunications (1974/77) 102,850
Mauritius	(no project)	
Niger	NER - 69 - 006	Telecommunications (1970/74) 120,259
	NER - 73 - 010	Bourse de Perfectionnement dans le domaine de Télécommunication (1973/75) 11,800

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Nigeria	NIR - 68 - 534	Post and Telecommunications Training Centre, Oshodi (1968/76) 1,019,739
	NIR - 69 - 028	Telecommunications (1969/77) 458,951
	NIR - 72 - 010	National Telecommunications Development Planning (1973/75) 857,450
	(NIR - 68 - 037	Telecommunications, Electronics, WMO, (1968/75) 216,252)
Rwanda	RWA - 68 - 011	Telecommunications (1968/75) 180,621
Senegal	SEN - 71 - 003	Telecommunications (1971/74) 29,306
Seychelles	(no project)	
Sierra Leone	SIL - 63 - 011	Telecommunications (1968/75) 74,938
	SIL - 73 - 006	Telecommunications Advisory Services (1973/75) 75,000
	(SIL - 72 - 010	Basic Radio Teletype, ICAO, (1972/74) 6,500)
Somalia	SOM - 68 - 019	Telecommunications (1968/75) 103,935
	SOM - 72 - 009	Telecommunications (1972/74) 7,835
Swaziland	SWA - 68 - 011	Telecommunications (1969/75) 76,666
	SWA - 72 - 008	Department of Posts and Telecommunications (1972/75) 69,958
	SWA - 73 - 008	Department of Posts and Telecommunications (1973/76) 69,237
Togo	TOG - 70 - 007	Telecommunications Training (1970/74) 22,706
Uganda	(EAC projects)	
United Republic of Cameroon	CMR - 68 - 015	Telecommunications (1968/74) 132,490
	CMR - 71 - 525	Federal School for Posts and Telecommunications, Yaoundé (1972/77) 853,400
United Republic of Tanzania	(EAC project)	

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Upper Volta	UPV - 69 - 010	Telecommunications (1969/74) 83,251
	UPV - 71 - 004	Développement de l'Ecole Nationale des Postes et Télécommunications de Ouagadougou (1971/74) 87,585
Zaire	ZAI - 66 - 510	National School of Telecommunications, Kinshasa (1966/76) 1,560,593
Zambia	ZAM - 68 - 019	Telecommunications (1969/76) 169,275
	ZAM - 71 - 516	National Telecommunication and Postal Training Institute, N'dola (1971/75) 498,741
	ZAM - 73 - 003	International Telecommunication, Tariff and Rates (1973) 12,672
<u>ASIA AND THE FAR EAST</u>		
Afghanistan	AFG - 68 - 017	Telecommunication Service (1968/76) 607,877
	AFG - 70 - 525	Telecommunications Training Centre, Kabul (Phase II) (1970/75) 1,355,663
Bangladesh	BGD - 72 - 022	Telecommunications Training Centre (1973/75) 33,500
Bhutan	(no project)	
Burma	BUR - 70 - 003	Telecommunications (1971/74) 19,592
Cook Islands	(no project)	
Fiji	(no project)	
Gilbert and Ellis Islands	(no project)	
Hong Kong	(no project)	
India	IND - 70 - 028	Intercontinental Telecommunications (1970/74) 65,342
	IND - 70 - 039	Telecommunication (1970/74) 136,423
	IND - 70 - 609	Expansion of the Experimental Satellite Communications Earth Station: Ahmedabad (1970/75) 1,094,904

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
India (cont'd)	IND - 72 - 037	Advanced Telecommunications Training Centre, Ghaziabad (1973/78) 1,124,900
Indonesia	INS - 70 - 006	Telecommunications (1970/74) 133,623
	INS - 71 - 536	Training of Telecommunications Junior Engineers and Senior Technicians (1972/76) 1,395,000
	INS - 72 - 012	Integration of Telecommunication Services (1972/74) 128,417
	INS - 72 - 066	Advisory Service for National Telephone Switching System (1973/75) 80,400
	INS - 72 - 067	Telecommunications Services (1973/74) 99,407
	INS - 73 - 015	Instructors in Telecommunications Installations and Maintenance (1973/76) 265,240
Iran	IRA - 70 - 522	Telecommunications Training Institute, Teheran (1970/76) 1,502,699
Japan	(no project)	
Khmer Republic	KMR - 72 - 033	Telecommunications Technician Training (1973/75) 96,500
Laos	LAO - 71 - 506	Telecommunications Training Centre (1972/76) 625,863
Malaysia	MAL - 69 - 007	Telecommunication Training (1969/75) 36,762
	MAL - 70 - 014	Telecommunications (1971/74) 175,495
Maldives	(no project)	
Mongolia	MON - 71 - 510	Establishment of a Faculty of Telecommunication at the State Polytechnic Institute and Telecommunication Training Centre (1972/75) 310,708
Nepal	NEP - 68 - 017	Telecommunications (1968/74) 77,803
	NEP - 71 - 521	Telecommunication and Civil Aviation Training Centre, AMAND NIKETAN (1971/77) 1,264,933

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
New Hebrides	(no country project)	
Niue	(no project)	
Pakistan	PAK - 68 - 539	Telecommunication Staff College at Haripur (West Pakistan) (1968/76) 937,426
Papua New Guinea	PING - 73 - 002	Telecommunication Technical Training (1973/75) 30,000
Philippines	(no country project)	
Republic of Korea	ROK - 71 - 010	Telecommunication Operations (1972/75) 7,850
Republic of Viet-Nam	RVN - 72 - 007	Telecommunications Training Centre (1972/76) 604,000
Singapore	SIN - 71 - 514	Telecommunications Training Centre (1972/76) 1,150,940
Solomon Islands	(no country projects)	
Sri Lanka	SRL - 71 - 527	Telecommunication Training School, Colombo (1971/75) 345,525
	SRL - 73 - 039	Supervision of Installation and Training in Maintenance of the Telex Exchange (1974/76) 30,000
	SRL - 74 - 003	Fellowship Study Tour of Satellite Earth Stations (Western Region) (1974) 1,900
	SRL - 74 - 004	Fellowship Study Tour of Satellite Earth Stations (1974) 800
Thailand	THA - 69 - 523	Telecommunications Training, Test and Development Centre (Phase II) (1969/74) 599,238
	THA - 72 - 001	Telecommunication Maintenance Advisor (1972/76) 60,389
Tonga	(no country project)	
Western Samoa	WES - 71 - 011	Telecommunication Controller (OPAS) (1972/77) 108,340

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Western Samoa (cont'd)	WES - 73 - 004	Telecommunications Training Fellowships (1973/77) 73,100
	WES - 73 - 005	Telecommunications Technical Manager (OPAS) (1973/77) 76,050
<u>EUROPE, MEDITERRANEAN AND THE MIDDLE EAST</u>		
Albania	ALB - 71 - 001	Radio-diffusion and Television (1971/74) 8,527
	ALB - 71 - 002	School of Telecommunications (1971/74) 19,980
Algeria	ALG - 72 - 009	Institut de Technologie des Télé- communiqués et de l'Electronique (ITTE) (1972/75) 640,171
Bahrain	(no country project)	
Bulgaria	BUL - 70 - 007	Development of Telephone Communications (1970/74) 13,680
	BUL - 71 - 010	Radio and Television Development (1971/74) 1,017
	BUL - 71 - 019	Broadcasting Development (1971/74) 8,099
	BUL - 71 - 020	Development of Television Broadcasting (1971/74) 10,602
	BUL - 71 - 074	Exchange of Information and Data Transmission (1973/75) 1,729
	BUL - 72 - 051	Use of Math. and Econ. Math. models, applied in the communications (1972/74) 1,400
	BUL - 73 - 010	Development of Television Broadcasting (1973/74) 8,100
	BUL - 73 - 011	Planning, Building and Exploitation of multiprogramme radio houses (1973/74) 1,400
	BUL - 74 - 034	Entretien des Circuits Téléphoniques Internationaux et Inter-urbains (1974) 1,530
Cyprus	(no country project)	

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Czechoslovakia	CZE - 73 - 001	Modern Techniques in Telecommunications (1974/75) 49,120
	CZE - 74 - 002	Seminar of Frequency Management and the use of the Radio Frequency Spectrum (1974) 800
Democratic Yemen	PDY - 70 - 001	Telecommunications Planning Development and Administration (1970/74) 92,231
	PDY - 71 - 006	National Telecommunication System (1971/74)
Egypt	EGY - 69 - 577	Technical Training and Research Institute for Telecommunications, Cairo (1969/76) 1,317,202
	EGY - 73 - 021	Upgrading Cairo Telephone Cable Networks (1973/74) 70,500
Greece	(no country project)	
Hungary	HUN - 70 - 001	Telecommunications Industry (1970/74) 17,349
Ireland	(no country project)	
Iraq	IRQ - 68 - 018	Telecommunications (1968/74) 105,750
	IRQ - 71 - 521	Telecommunication Training Centre, Phase II (1972/76) 493,200
Israel	ISR - 73 - 029	Establishment of an Institute of Telecommunications (1973/77) 799,750
	ISR - 73 - 043	Economic Analysis for Development of Telecommunication System (1973/75) 12,513
Jordan	JOR - 68 - 006	Telecommunications (1968/74) 360,095
	JOR - 72 - 030	Digital and Analog Circuit Design (1972/74) 3,700
	JOR - 72 - 031	System Analysis (1972/74) 3,700
Kuwait	(no country project)	

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Lebanon	LEB - 71 - 007	Telecommunications (1971/73) 48,368
	LEB - 72 - 005	Telecommunication Maintenance and on-the-job Training (1973/74) 100,000
	LEB - 72 - 006	Telecommunication Training (1974) 34,000
Libyan Arab Republic	(no country project)	
Malta	MAT - 74 - 005	Seminar on Planning of Broadcasting (1974) 2,800
Morocco	(no country project)	
Oman	OMA - 72 - 006	Telecommunication Advisor (1972/73) 25,695
	OMA - 73 - 002	OPAS Director of Telecommunication (1973/76) 103,804
Poland	POL - 69 - 011	Telecommunications (1969/74) 25,891
Qatar	(no country project)	
Romania	ROM - 69 - 014	Data Transmission (1969/74) 27,331
Saudi Arabia	SAU - 67 - 516	Telecommunications and Broadcasting Training Centre, Jeddah (1967/78) 1,167,768
	SAU - 73 - 002	Telecommunication Planning and Programming Advisor (1973/76) 60,281
Spain	SPA - 68 - 006	Telecommunications (1970/75) 8,655
Sudan	SUD - 71 - 012	Telecommunications Planning (1971/74) 92,244
	SUD - 71 - 552	Establishment of a Telecommunication Test, Repair and Maintenance Centre, Khartoum (1973/75) 146,800
	SUD - 74 - 020	Telecommunication Development in the Southern Region (1974) 2,500
Syrian Arab Republic	SYR - 71 - 526	Telecommunication Training School (1972/74) 6,407
Tunisia	(no country project)	

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Turkey	TUR - 67 - 528	National Telecommunication Training Centre, Ankara (1967/76) 1,862,317
United Arab Emirates	UAE - 73 - 005	Telecommunication General Advisor (1974/76) 34,300
Yemen	YEM - 68 - 009	Telecommunications (1970/77) 300,009
Yugoslavia	(no country project)	
<u>LATIN AMERICA</u>		
Antigua	ANT - 72 - 009	Telephone System Management (1974/75) 5,050
Argentina	ARG - 70 - 022	Training and Specialization of Telecommunications Personnel (1971/74) 27,199
Bahamas	(no country project)	
Barbados	BAR - 68 - 008	Telecommunications (1968/75) 68,475
	BAR - 74 - 004	Fellowship in Frequency Management (1974) 1,450
Belize	BZE - 70 - 001	Telecommunications (1970/75) 54,332
	BZE - 72 - 003	Manager, Belize City Telephone System (OPAS) (1972/76) 74,547
Bolivia	BOL - 71 - 518	Telecommunications Training Institute, Le Paz (1972/76) 727,352
Brazil	BRA - 71 - 011	Management and Monitoring of Radio Frequencies (1971/74) 68,533
	BRA - 71 - 520	Development of Telecommunications Research and Human Resources (1973/74) 15,800
British Virgin Islands	(no country project)	
Cayman Islands	(no country project)	
Chile	CHI - 67 - 521	Telecommunications Training Centre, Santiago (1967/74) 1,279,935

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Chile (cont'd)	CHI - 73 - 003	National Centre for Electronics and Telecommunications (1973/76) 608,600
Colombia	COL - 72 - 035	Training of Teaching Personnel and Promotion of Research in Telecommunications (1973/78) 559,000
Costa Rica	COS - 72 - 014	Telecommunications (1973/75) 81,800
Cuba	CUB - 73 - 004	Development of Communication Services (1973/77) 450,000
Dominican Republic	DOM - 72 - 006	Telecommunication Advisor (1972/74) 82,975
Ecuador	ECU - 68 - 020	Telecommunications (1968/75) 164,040
	ECU - 72 - 006	Centre for Training of Telecommunication Technicians (1972/78) 654,722
	ECU - 73 - 008	Rural Telecommunications (1973/74) 30,000
	ECU - 73 - 009	Unification of the Telecommunications Network (1973/74) 30,000
El Salvador	ELS - 68 - 005	Telecommunications (1968/75) 107,668
Grenada	(no country project)	
Guyana	GUY - 68 - 012	Telecommunications (1968/75) 24,696
	GUY - 73 - 003	Telecommunication Training Centre (1973/74) 30,850
Haiti	HAI - 69 - 001	Telecommunications (1969/75) 64,791
	HAI - 72 - 007	Administration and Planning of Telecommunications (1973/77) 158,000
Honduras	HON - 68 - 011	Telecommunications (1968/75) 108,319
	HON - 73 - 004	Telecommunications (1974) 65,794
Jamaica	JAM - 68 - 011	Telecommunications (1968/75) 89,335
	JAM - 72 - 009	Telecommunications Training (1973/76) 397,900
Mexico	MEX - 70 - 032	Telecommunications (1970/74) 190,683

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Monserrat	(no country project)	
Netherlands Antilles	(no country project)	
Nicaragua	NIC - 68 - 009	Telecommunications (1968/74) 97,986
	NIC - 71 - 006	Administration and Organization of Telecommunications (1972/75) 18,200
	NIC - 73 - 011	Rehabilitation of Telecommunication Services (1973/74) 31,000
Panama	PAN - 73 - 001	Technical Assistance Programme in Telecommunications (1973/75) 85,426
Paraguay	PAR - 68 - 519	Assistance in the Implementation of the National Telecommunication Plan (1968/75) 529,817
	PAR - 70 - 001	National Frequency Management (1971/74) 128,499
	PAR - 72 - 011	Paraguayan Institute of Telecommunications (1974/75) 30,000
Peru	PER - 69 - 007	Telecommunications Development Planning (1969/75) 305,031
Saint Kitts-Nevis-Anguilla	STK - 68 - 007	Telecommunications (1969/75) 19,606
Saint Lucia	STL - 69 - 002	Telecommunications Administration and Tariffs (1969/74) 14,632
Saint Vincent	STV - 73 - 002	Telecommunications Administration and Tariffs (1973/76) 7,576
Surinam	SUR - 68 - 005	Telecommunications (1968/74) 25,407
Trinidad and Tobago	TRI - 72 - 010	Telecommunication Administration and Management (1972/77) 86,100
Turku and Caicos Islands (no country project)		
Uruguay	URU - 71 - 004	Telecommunications (1971/76) 110,383
	URU - 73 - 001	Telecommunications Training Centre (1973/76) 251,400

<u>Country</u>	<u>Project No.</u>	<u>Description</u>
Venezuela	VEN - 63 - 507	Training Centre for Telecommunications Technicians, Caracas (1963/72) 1,255,326
	VEN - 70 - 529	Training Centre for Telecommunications Technicians, Phase II (1970/76) 1,030,074

Intercountry projects as of 30 June 1974

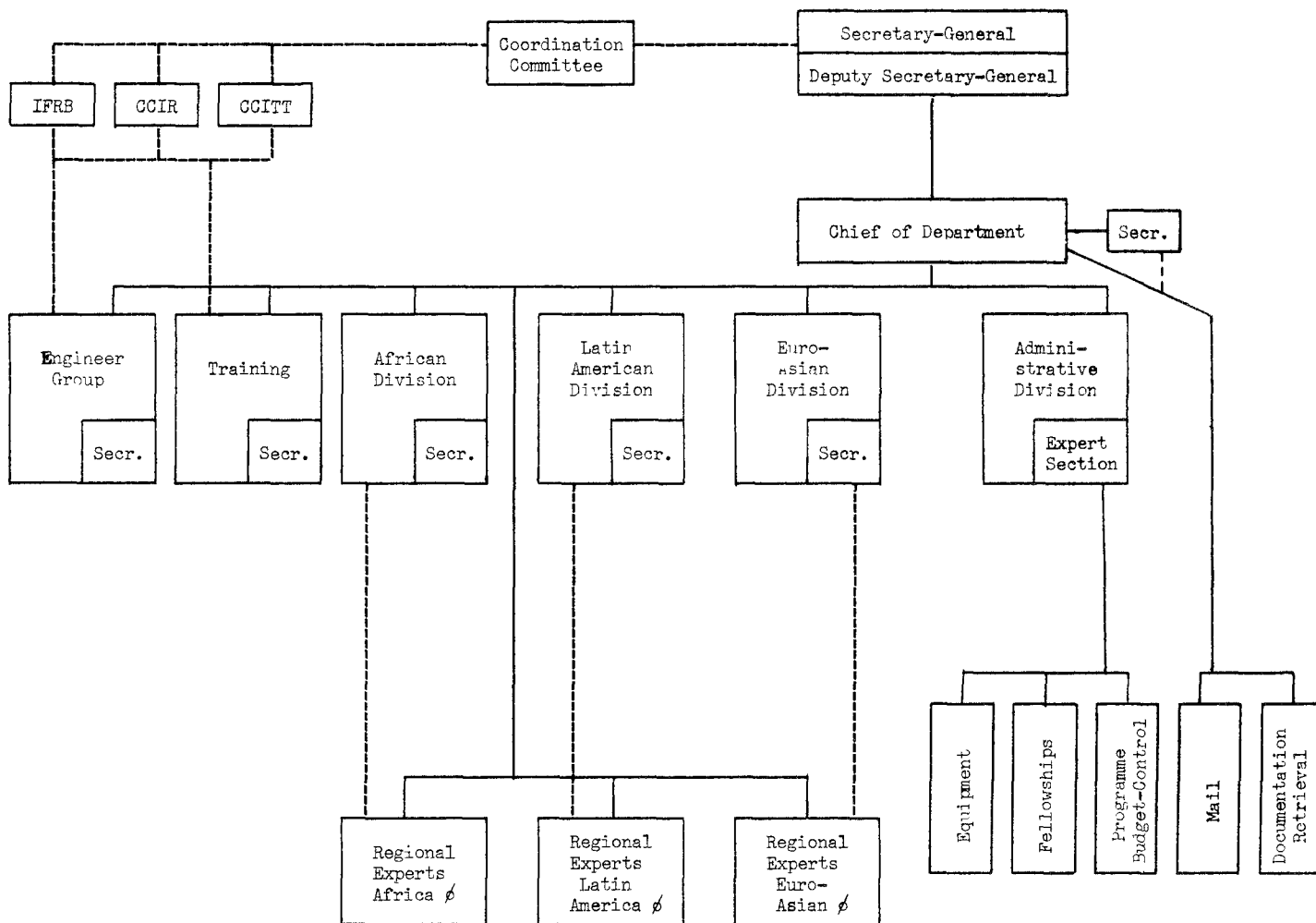
<u>Region</u>	<u>Description</u>	<u>Project No.</u>	<u>Year</u>	<u>Amount</u> (US\$)
AFRICA	Regional Telecommunication Training Centre (in Africa)	RAF-71-170	71/77	1,493,818
	Regional Telecommunication Adviser	RAF-69-857	70/76	154,972
	Telecommunication Network Training	RAF-68-583	69/75	242,017
	Telecommunication Traffic	RAF-70-002	70/75	135,151
	Pre-investment Survey for the African Telecommunications Network	RAF-70-116	70/75	766,616
	Regional Telecommunications Adviser (Central Africa)	RAF-70-851	70/75	114,462
	Regional Tariff	RAF-70-858	70/74	20,407
	Multinational Telecommunications and Postal Training Centre (Kenya, Uganda, Tanzania)	RAF-71-155	71/74	151,450
	Multinational Telecommunication and Postal Training Centre	RAF-71-208	70/77	1,677,032
	Pan-African Telecommunications Survey (West and Central Africa Sectors)	RAF-71-231	71/74	916,910
	Telecommunications link between Bathurst (Gambia) and Kaolack (Senegal)	RAF-71-255	72/76	356,900
	Seminar on the planning of Broadcasting System in Africa	RAF-71-858	73/75	41,000
	Identification Mission for the Establishment of Special Telecommunication Services	RAF-74-003	74/75	5,000
ASIA AND THE FAR EAST	Telecommunications Advisory Services	RAS-68-852	68/75	391,269
	Feasibility Studies for the Asian Telecommunications Network	RAS-69-164	69/75	478,615
	Workshop on Broadcasting, Radio Frequency Management and Programme Transmission Systems	RAS-71-859	73/74	39,100

<u>Region</u>	<u>Description</u>	<u>Project No.</u>	<u>Year</u>	<u>Amount</u> (US\$)
ASIA AND THE FAR EAST (continued)	Western Pacific: Identification of Scope for Telecommunications Assistance	RAS-71-864	71/74	109,823
	Radio Frequency Management and Monitoring	RAS-72-134	74/75	33,000
	Regional Telecommunication Training - South Pacific	RAS-74-004	74/75	14,000
	Feasibility Study for a Regional Telecommunication Network for the South Pacific	RAS-74-005	74/75	47,500
EUROPE, MEDI- TERRANEAN AND THE MIDDLE EAST	Telecommunication	REM-69-853	69/75	108,180
	Sana's - Taiz - Aden Pilot Telecommunication Link	REM-71-197	71/75	953,362
	Assistance in establishing Advance Courses in New Tele- communications Techniques	REM-71-296	74/76	123,900
	Feasibility study for pre- investment survey for the Middle-East Telecommunication Network	REM-72-038	73/74	75,800
	Regional Seminar on Radio Frequency Planning for Broadcast Transmissions	REM-72-048	74/74	9,800
LATIN AMERICA	Telecommunications Network Planning	RLA-68-851	69/74	494,175
	Radio Frequency Management	RLA-69-856	69/75	212,093
	Seminar on the Planning of Broadcasting Systems in Latin America and the Caribbean	RLA-71-860	73/74	59,000
	Central American Institute of Telecommunications (INCATE)	RLA-72-094	73/79	1,372,700
	Seminar on the Planning and Development of Rural Tele- communications	RLA-73-045	74/74	55,000
	Pre-investment study for the Inter-American Telecommuni- cations Network <u>a/</u>	RLA-68-122	68/74	1,009,585

a/ (Executing Agency BID, with collaboration of ITU).

ANNEX II

Organigram of the Department of Technical Co-operation



∅ Multicountry experts and national experts in each region

ANNEX III

Income to cover administrative and operational services costs
for technical cooperation doc. 4707-E.
(CA 30-19)

	<u>1974</u> <u>(balance-sheet)</u>	<u>1975</u> <u>(budget)</u>	<u>1976</u> <u>(draft budget)</u>
(a) UNDP contribution 1974: 14% of cost of execution of projects US \$ 12,430,000	1,740,425		
1975/1976: 14% of cost of execution of projects US \$ 15,000,000		2,100,000	2,100,000
(b) Contribution under Funds-in- Trust and various income	<u>164,812</u>	<u>220,000</u>	<u>220,000</u>
(c) Total US \$	1,905,237	2,320,000	2,320,000
Total Swiss francs 1975/1976, rate 2.42 Sw. frs.	5,716,488	5,776,800	5,776,800
(d) Actual expenditure	6,247,964		
Budget adjusted on 1 March 1975		6,628,700	
Draft budget			<u>7,317,200</u>
(e) Balance	- 531,476	- 851,900	- 1,540,400
(f) Brought forward from 1973	- <u>681,439</u>		
Carried forward to 1975		- <u>1,212,915</u>	
Carried forward to 1976			- <u>2,064,815</u>
(g) Excess expenditure			<u><u>3,605,215</u></u>

ANNEX IV

Resolution No. 21

Special Fund for Technical Co-operation

The Plenipotentiary Conference of the International
Telecommunication Union (Malaga-Torremolinos, 1973),

bearing in mind

the provisions of Article 4 of the International
Telecommunication Convention (Malaga-Torremolinos, 1973);

considering

a) that developing countries often need the assistance of
highly qualified specialists who can collaborate with the
administrations for brief periods with a view to solving specific
and urgent problems;

b) that there are often limitations on the granting of
assistance that is urgently required;

c) that, in order to provide adequate assistance, it is
necessary to have prior knowledge of the resources which could
be placed at the disposal of the countries at the right time;

d) that, while the United Nations Development Programme
undoubtedly makes its funds available to countries, it is also
evident that these funds are utilized on the basis of advance
planning for a period of several years and that the urgent needs
for assistance in the telecommunication sector often cannot be
met owing to the demands of other sectors of the country's economy;

e) that international organizations such as the Universal
Postal Union have often recognized the need to create a programme
of assistance based on voluntary contributions;

f) that the voluntary contributions of the various countries, recognized private operating agencies and scientific and industrial organizations can be made either in cash or in some other form, on the understanding that the contributions of private operating agencies and scientific or industrial organizations are subject to the approval of the administration of the donor country;

resolves

to set up a fund, based on voluntary contributions in any currency or in some other form, to meet the needs of the developing countries who submit urgent requests for assistance to the Union;

urges Member countries

to make available the resources required to meet the needs of the developing countries more effectively;

instructs the Secretary-General

1. to prepare and submit to the Administrative Council for its approval regulations for the administration of the fund;

2. to promote and administer the fund in conformity with the approved regulations and to submit an annual report on its management to the Administrative Council for its approval;

instructs the Administrative Council

to supervise the management of the fund and take all necessary steps to ensure its efficient operation and growth.

ANNEX V

Resolution No. 23

Training Standards

The Plenipotentiary Conference of the International Telecommunication Union (Malaga-Torremolinos, 1973),

noting

a) the rapid increase in the number of international telecommunication circuits and of their interconnections resulting from the technological progress and the increased demand in recent years;

b) the need for these circuits to be operated and maintained methodically to ensure the best use of equipment and a more efficient service to users;

c) the increasing number of telecommunication training centres in the developing countries at both national and regional level;

d) the wide differences between Members in the training of telecommunication staff and the lack of uniformity in study programmes and training standards in the various special fields;

e) that, although some progress has been made, the objectives set in Resolution No. 31 of the Plenipotentiary Conference (Montreux, 1965) have not yet been achieved;

considering

that the rapid and effective establishment of a connection and the maintenance of the circuit require:

a) compatible equipment at both ends and at transit offices;

b) equivalent technical training of technical and operational personnel and appropriate linguistic fluency;

recognizing

that it is necessary for technical training to match the development and the technical evolution;

instructs the Secretary-General

for the purpose of attaining the objectives indicated in the considerata a) and b):

1. to collect, in a precise and methodical way, information on the needs of the developing countries as regards the training of technical and operational personnel;

2. to make recommendations to the developing countries for the solution of their training problems, drawing upon the experience acquired in this field by the Members, particularly with regard to installations, equipment, a study programme and teaching methods and facilities. To this end, it requests him:

- 2.1 to draw up, in consultation with the Members of the Union, standard texts for technical and operational training in telecommunications;
- 2.2 to promote the interchange of information by arranging for meetings of groups of experts in professional training to be held at reasonable intervals with a view to standardizing such training;
- 2.3 to organize seminars on technical standards governing operation and maintenance, study programme, teaching methods, etc;
- 2.4 to facilitate the dispatch of experts on short-term missions to the developing countries in order to advise on the best methods of planning and developing teaching activities in this field;

- 2.5 to provide precise information when consulted by Members on the activities of the developed countries in connection with study programmes, teaching methods, teaching aids, installations and equipment, etc.;
- 2.6 to disseminate the information he has acquired on this subject by means of publications at appropriate intervals;
3. to propose to the Administrative Council the organizational and staffing arrangements needed for the accomplishment of the tasks set forth in this Resolution;

instructs the Administrative Council

1. to consider the recommendations submitted to it by the Secretary-General with a view to providing him with the minimum means and credits required to collect, provide and disseminate the information referred to above and to accomplish the tasks specified in this Resolution;
2. to review at its annual sessions the arrangements, their development and the progress achieved, and take the necessary steps to ensure the achievement of the objectives of this Resolution.

Resolution No. 24

Training of Refugees

The Plenipotentiary Conference of the International Telecommunication Union (Malaga-Torremolinos, 1973),

having noted

- a) the pertinent Resolutions of the United Nations General Assembly, particularly Resolutions 2395, 2396, 2426 and 2465 (XXIII);
- b) Administrative Council Resolutions No. 659 and No. 708;
- c) the Report of the Administrative Council (Part II, section 2.5.3);

considering

the action hitherto taken by the Secretary-General with the Office of the United Nations High Commissioner for Refugees (UNHCR) and with the administrations of Member countries;

requests the Secretary-General

1. to continue his efforts with a view to the application of the United Nations Resolutions;

2. to collaborate fully with the Office of the United Nations High Commissioner for Refugees;

invites administrations of Member countries

to do even more **to** receive certain recommended refugees and to arrange for their training in telecommunications in professional centres or schools.

Resolution No. 25

Seminars

The Plenipotentiary Conference of the International Telecommunication **Union** (Malaga-Torremolinos, 1973),

recognizing

a) that for the staff of telecommunication administrations, particularly in the new or developing countries, seminars are a very valuable means of acquiring knowledge of the latest developments in telecommunication techniques and of comparing experience;

b) that this ITU activity should be continued and expanded;

thanks administrations

which have already organized or which intend to organize seminars and which provide at their own expenses qualified lecturers or discussion leaders for this purpose;

urges administrations

to continue and intensify their efforts in this **direction**
in co-ordination with the Secretary-General;

instructs the Secretary-General

1. to co-ordinate the efforts of the Members of the Union
which plan to organize seminars with a view to avoiding duplication
and overlapping, paying particular attention to the languages used;

2. to ascertain and provide information on the subjects
which should be dealt with by seminars;

3. to promote or to organize seminars within the limits of
available funds;

4. constantly to improve the effectiveness of these seminars
in the light of experience;

5. to make inter alia the following arrangements:

5.1 publish the preliminary and final documents of seminars
and forward them in good time to the administrations
and participants concerned by the most appropriate means;

5.2 take appropriate action following these seminars;

6. to submit an annual report to the Administrative Council
and to make proposals to it with a view to ensuring the effective
attainment of the objectives referred to above, bearing in mind
the opinions expressed by the Conference and the available credits;

requests the Administrative Council

to take account of the recommendations of the Secretary-General
and to ensure that appropriate credits are included in the annual
budgets of the Union to permit the accomplishment of the tasks
envisaged in this Resolution.

ANNEX VI

Subject: Overhead costs

10 September 1975

No. 8471

Mr. B. Lindström,
Deputy Administrator,
United Nations Development
Programme,
866 United Nations Plaza,
New York,
N.Y. 10017,
U.S.A.

Dear Mr. Lindström,

1. I acknowledge receipt of your letter of 28 May 1975 on the subject of U.N.D.P. overhead costs reimbursement to I.T.U. Its contents have been carefully studied and I would like to express my appreciation for your positive attitude and understanding towards the most serious financial plight the I.T.U. is facing in its participation in the U.N.D.P. programme.

2. While I believe that the arguments set out in our letter of 2 May 1975 are still valid, some of your comments call for further explanation from our side in order to enable you to obtain a full picture of the specific problems which affect the proper functioning of our Technical Cooperation Department.

3. Our response to your above-mentioned letter contains the following sub-headings:

- I. Decrease in overhead earnings
- II. Guaranteed exchange rate
- III. Flexibility

I. DECREASE IN OVERHEAD EARNINGS

4. After having carefully studied the comments contained in the first paragraph on page 2 of your letter we would like to underline that your conclusion pointing out that "the significant factor in the increase of delivery would be depreciation in US dollar exchange rate" does in fact not apply to I.T.U. only but to all the participating agencies. Namely, we do recruit experts, place fellows, and buy equipment in the same countries as the other agencies and there is in this case no relationship to the fact that the Swiss franc has been significantly revaluated against the US dollar.

5. In this particular respect our analysis reveals that:

- the I.T.U. 1971 delivery of U.N.D.P. programme compared with 1974 shows an increase expressed in US dollars of about 50%.
- the experts' man/months delivery shows an increase of 25%.
- the fellowship man/months delivery increased by 46% (this figure does not include the group training, which increased from 117 persons in 1971 to 314 in 1974).
- the value of the equipment ordered increased during the same period by 144%.

6. These figures bear witness of the fact that it would be rather difficult to admit that the depreciation of the dollar exchange rate was a decisive factor in the increase in I.T.U. delivery during the year under report.

7. A further point which calls for an examination is your last sentence of paragraph one on page 2 which reads "Also, to some extent, the increase in dollar value of I.T.U. delivery resulted in increased overhead earnings". A comparison

shows clearly how the I.T.U., having its Headquarters in Switzerland, has been disadvantaged as compared with other executing agencies located in Europe or overseas.

Country	Year	Overhead Entitlement for 1 million US\$ Delivered Assistance	Average Exchange Rate	Equivalent in local Currency	% increase or decrease ()
SWITZERLAND	1971	130,000 \$	4.08	530,400 SFr.	(34.0%)
	1975	140,000 \$	2.50	350,000 SFr.	
FRANCE	1971	130,000 \$	5.35	695,500 F.F.	(12.2%)
	1975	140,000 \$	4.45	623,000 F.F.	
ITALY	1971	130,000 \$	0.620	80,600,000 Lit.	16.4%
	1975	140,000 \$	0.670	93,800,000 Lit.	
UNITED KINGDOM	1971	130,000 \$	0.4167	54,171 £	23.01%
	1975	140,000 \$	0.476	66,640 £	
U.S.A.	1971	130,000 \$	1.-	130,000 \$	7.7%
	1975	140,000 \$	1.-	140,000 \$	
CANADA	1971	130,000 \$	1.-	130,000 \$C	11.1%
	1975	140,000 \$	1.03	144,200 \$C	

8. The above table shows that contrary to your paragraph three of page 2 of your letter, that the Geneva-based Agencies and to a much lesser extent those located in Paris had to suffer from important losses on the exchange rate. The agencies located in Italy and the U.K. had substantially increased their income over and above the 1% increase which was approved as from 1974 onwards.

9. Another analysis which constitutes an essential complement to what has been said above, is illustrated hereafter:

<u>Year</u>	<u>Average standard cost for Expert</u>	<u>Overhead %</u>	<u>US \$ Equivalent in</u>	<u>Swiss Francs</u>
1970	US\$ 30,000.- (Special Fund)	11%	3,300.- (at 4.32)	14,256.-
1975	US\$ 36,000.-	14%	5,040.- (at 2.50)	12,600.-

In other words if the exchange rate had remained stable at 4.32, as it did in the United States, the I.T.U. could expect to receive 21,773.- SFr. in 1975 for each year of expert's services delivered, instead of 12,600.-. This would represent an effective increase of 52.7% as in the case of US-based Agencies instead of a real loss of 11.6%. This demonstrates even further the unfairness of the system under which the I.T.U. is suffering.

10. I would now like to clarify our position on the second point which you raised in paragraph two on page 2. I am most grateful to the U.N.D.P. Governing Council which approved the writeoff of the overhead overdrawn, which was authorized under the Special Fund system operating prior to 1971.

11. As you know, the I.T.U. was not the only Agency having overdrawn overheads from Special Fund projects. It is therefore felt that the Governing Council decision was applicable to most Agencies and cannot be considered as a special favour to the I.T.U. Furthermore it is to be underlined that these overdrawings were not considered as deficits in the I.T.U. accounts. Consequently in our tables and references concerning our deficit in the Technical Cooperation Department budget, this amount is not included and therefore the writeoff authorized in March 1975 did not diminish our deficit nor increase our overhead earnings. May I add that during the period of 1969 to 1971 the I.T.U. did in effect not request any additional funds under the flexibility rules applicable to the TA programme. Consequently the amount overdrawn may be considered as a supplementary allocation under the flexibility rule to which the I.T.U. was entitled as belonging still to the category of smaller Agencies.

II. GUARANTEED EXCHANGE RATE

12. Under this heading I would like to redefine our thinking and attempt to explain the practical effects of this guarantee.

13. In the analysis I submitted to you in my letter of 2 May 1975 it was clearly shown that the deficit in our Technical Cooperation budget occurred after the US dollar's exchange rate with the Swiss franc dropped beyond 3.30. Consequently what is suggested is that the deficit which occurred in 1973 and 1974 be reimbursed by U.N.D.P. through an additional allocation of funds.

14. In terms of actual amounts to be reimbursed we would like to be compensated in Swiss francs as follows:

1973 Deficit = 681,439 SFr., equivalent to 254,268 US \$
at the present exchange rate.

1974 Deficit = 422,561 SFr., equivalent to 157,672 US \$
at the present exchange rate.

15. The practical effects would constitute an increase of only 2.1% and 1.4% of our overhead earning above the presently approved rate. These percentages are far below the level you assumed in your letter when you state that "the higher level resulting from our request would perhaps be as much as 25%".

16. It is also felt that these additional amounts are very modest expressed in percentages especially if they are compared with the flexibility provisions which were approved for the smaller Agencies for 1975 and which all show a percentage of over 20%.

17. A final but very important point on the above subject is the non-application of the flexibility rule to I.T.U. in 1973. You may recall that our request for a flexibility provision submitted in December 1972 was not retained as our delivery forecast showed an implementation of over 10 million US dollars. This figure was set as the limit for the application of flexibility

to smaller agencies. In fact, our delivery for 1973 amounted to 9,796,475 US \$ (excluding the U.P.U. portion of jointly implemented projects) and we should have been automatically entitled to the flexibility provision. Therefore I would expect that the 1973 deficit which amounts to 681,439 Swiss francs could be compensated under the flexibility rule still applicable to I.T.U. at that time.

III. FLEXIBILITY PROVISION

18. I shall now attempt to provide you with sufficient evidence to enable you to consider the revision of the ceiling of 10 million \$ which was set as a limit for the application of the overhead flexibility for smaller agencies.

19. We realize that the intention behind this ceiling was to limit the application of the flexibility to "real" smaller Agencies. However, looking back, we note the above ceiling had already been introduced in 1972. Here again I would like to highlight the adverse effect this decision had on I.T.U. in comparing our programme delivery expressed in US dollars with the Swiss franc value during the period from 1971 to 1974.

<u>Year</u>	<u>Delivery</u>	<u>% Annual increase</u>	<u>Exchange rate Average</u>	<u>Delivery in Swiss francs</u>	<u>% Annual increase</u>
1971	7,326,843 \$		4.01	29,380,640.-	
1972	8,383,713 \$	+ 14.42%	3.83	32,109,620.-	+ 9.29%
1973	9,796,475 \$	+ 16.85%	3.27	32,034,473.-	- 2.34%
1974	11,072,508 \$	+ 13.07%	3.013	33,466,146.-	+ 4.47%
<u>Total increase = since 1971</u>		<u>+ 51.12%</u>			<u>+ 13.91% only</u>

20. As it can be seen from the above table our dollar value delivery increased from 1971 to 1974 by 51.12% while the same amount of delivery expressed in Swiss francs only increased by 13.91%. For the same reason, our overhead income losses amounted to more than 25% during the above period.

21. While I have no objection to I.T.U. being considered now as a medium size executing agency of the U.N.D.P. programme, may I request you to take into consideration the following facts:

22. The I.T.U. Technical Cooperation Department was created purely to deliver the U.N.D.P. programme assigned to the I.T.U., complemented by Funds-in-Trust, Associated Experts' scheme and emergency programmes representing an average of 10% of our annual programme delivery. The I.T.U. has no regular programme and consequently no staff assigned to this kind of work. It becomes evident therefore that if we compare the total technical assistance programme delivery of the so-called medium size Agencies, the I.T.U. is again in a particularly disadvantageous position.

23. It is well known that the Agencies such as I.B.R.D, U.N.I.D.O. and W.H.O. all have a sizeable regular programme and that in two cases the U.N.D.P. programme is only a minor part of their technical assistance activities. Consequently although the I.T.U. is being considered now by U.N.D.P. as a medium size agency in the same range as the above-mentioned Agencies, there is a predominant difference between the total volume of assistance rendered by them and by the I.T.U. In view of the above one can conclude that the I.T.U., compared with the above-mentioned Agencies, is still a small executing agency.

24. Taking all these considerations into account, I would like to advocate that the ceiling for the application of overhead flexibility be raised to a new limit of 20 million US dollars, but including all kinds of technical assistance programmes such as regular programme, Funds-in-Trust, Associate Experts and Multi-Bi programmes.

25. May I emphasize that should you be prepared to endorse this new concept and submit this proposal to the next Governing Council session in January 1976 with its retroactive application to 1974, it would represent in our opinion the most suitable solution to this very serious problem which is hampering the increase of I.T.U.'s volume of rendered assistance as requested by the developing countries.

26. The practical application of the above-mentioned revised rule would be as follows:

1973 - Deficit of 681,439 Swiss francs to be compensated under the present flexibility rule; (10 million \$), which would correspond to an increase of our overhead rate of 2.1%.

1974 - Deficit of 422,561 Swiss francs to be compensated under the new flexibility rule; (20 million \$). Increase in overhead rate of 1.4% only.

1975 - Deficit forecast at the present exchange rate of 2.68 Swiss francs for 1 US \$ and a delivery of 15 million US \$ is estimated at approximately 500,000 Swiss francs, representing only 0.9% increase in overhead.

27. I would like to stress again that these relatively modest amounts are vital to the I.T.U. to enable us to increase and maintain our delivery of the U.N.D.P. programme. This applies particularly to 1976, where our present forecast of U.N.D.P. programme delivery amounts to 18 million \$. During the recent

session of the I.T.U. Administrative Council my proposal for a modest increase of staff to cope with the 20% raise of our delivery foreseen in 1976 was not accepted. The deficit position of the I.T.U. Technical Cooperation Department's budget was the main reason of its refusal. This is another demonstration of the adverse repercussions of our unfortunate situation and will certainly result in a reduction of our activities if no remedy can be urgently found.

28. I must underline once again that the entire problem is due to the US dollar depreciation and I still maintain that if the dollar had not depreciated beyond 3.30 SFr. for 1 US \$, the I.T.U. would not have to apply for the special treatment of its case.

29. In this context I would like to draw your attention to the very slow increase of the budget which represents certainly an additional argument underlying the I.T.U.'s unique position. In spite of the heavy inflationary trend which prevailed during the last few years the Technical Cooperation Department budget increased at a very low rate. This result could only be obtained through a continuous process of rationalization of the work performed by the staff of this Department.

30. The modesty of the increase is shown in the following comparative table:

	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>
			(estimates)	
a) U.N.D.P. Programme delivery increase in US \$	16.9%	13.1%	36%	20%
b) I.T.U. Technical Cooperation Department Budget increase	17.9%	4.9%	6%	10.5%

31. These remarkable results bear witness of the significant effort the I.T.U. has already undertaken to keep the overhead costs to a minimum. I would therefore underline once more that the overheads earned by the I.T.U. are utilized solely for its Technical Cooperation Department, the budget of which is kept separately and the funds received are in no case used to subsidize the regular budget of the I.T.U.

32. In our attempt to help the Administrator to find a satisfactory solution to the problem explained above, I would like to add a further point which I submit for your consideration.

33. At its 19th Session in January 1975, the U.N.D.P. Governing Council authorized the Administrator to apply an additional 5% overhead provision to unusually complex projects. In applying the criteria which are set out in paragraph 345 of the Governing Council's report, the I.T.U. has drawn up a list of five projects which in our view fall within these criteria. In Annex I you will find the details about these projects and the required justification. The approval of this proposal would result in an increased overhead earning of a maximum of 180,000 US \$. However this limited approach would solve our problem for 1975 as it would permit us to cover the deficit we foresee for this year but would have no effect to future years.

34. In the light of the above detailed explanation I would like to bring to your notice that the I.T.U. would not be in a position to deliver in 1976 the forecasted amount of 18 million US \$ should its financial difficulties not be solved satisfactorily. I therefore appeal to the Administrator's support for finding an equitable solution to this most serious problem affecting the I.T.U., but which after all represents only a very small amount considering the overall programme of the U.N.D.P.

35. To conclude, I would kindly request you to examine in depth the various proposals which are submitted and to propose to the next session of the U.N.D.P. Governing Council a solution which could certainly find positive support from its members.

36. For easy reference, I hereafter summarize the various proposals elaborated above:

- a) The application of a guaranteed exchange rate would mean that U.N.D.P. covers our deficit until such time that the dollar value has reached the level of 3.30 Swiss francs. In practice this would mean an increase of approximately 2.1% in 1973, 1.4% in 1974 and 0.9% in 1975 of our overhead entitlement.
- b) The raising of the ceiling of the overhead flexibility provision from 10 to 20 million US dollars on the understanding that the criteria for this ceiling should apply not only to the UNDP programme of an agency but include regular programmes and others. The retroactive application to 1974 would enable you to reimburse our deficit for 1974 of 422,561 Swiss francs and cover the probable deficit of approximately 500,000.- Swiss francs in 1975.
- c) The retroactive approval of the overhead flexibility rule for 1973 when ITU did not reach the ceiling of US\$ 10 million. The deficit to be covered would be 681,437 Swiss francs which corresponds to approximately 2.1% of additional overhead allocation.
- d) The examination of the 5 projects we are submitting for the application of additional 5% overhead reimbursement to these unusually complex projects. The additional income would cover the 1975 deficit only.

37. I am confident that the analysis of the arguments which have been developed in the above exposé shall permit the Administrator to propose to the next Governing Council an equitable solution which will enable the ITU to increase its assistance to the developing countries. I strongly believe that it is our common goal to improve the telecommunication services and to satisfy the increasing demands of the developing countries in the framework of the UNDP Technical Assistance Programme.

38. I would very much appreciate receiving your preliminary reply to the above proposals before the next IACB to enable me to avoid a renewed intervention at that forum, as I reconfirm that the problem is particular to the ITU.

Yours sincerely,

M. Mili
Secretary-General