Assistance by the United Nations System to Regional Inter-Country Technical Co-operation Institutions

Prepared by

J. C. Rodriguez-Arias

Joint Inspection Unit
ASSISTANCE BY THE UNITED NATIONS SYSTEM TO REGIONAL INTER-COUNTRY TECHNICAL CO-OPERATION INSTITUTIONS

by J. C. Rodriguez-Arias
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Introduction

1. Technical co-operation, to enhance the self-reliant capabilities of the developing countries, is recognized as one of the most important areas of activity of the United Nations development system. Support for the creation and exchange of information and skills, a major dimension of this effort, plays a significant role in the international development strategy. Over the past thirty years the United Nations organizations have made very significant contributions to the training of many thousands of professionals in much-needed specializations. These contributions provide a rich fund of experience for the assessment of the present situation and the outlook for the future of inter-country regional technical co-operation institutions.

2. Although some areas of weakness still exist in the activities of the system, the broad guiding principles of technical co-operation already defined by the governing bodies of the United Nations system are sufficiently clear to facilitate coherence and efficiency. Beyond this, the ability of the system to achieve practical results depends essentially on the operational policies and procedures applied at the working level. These policies and procedures must accordingly be kept under constant review, particularly in the light of the rapid changes constantly taking place in developing and developed countries alike.

3. Substantial resources have been devoted by the United Nations system to the promotion of technical co-operation at the global, inter-regional and regional levels --particularly the latter-- and the funds available for these purposes will increase in the future, as long as the total resources of the system continue to grow. The UNDP, for example, expects to allocate some $ 918 million for all inter-country programmes during the 1981-86 funding cycle, and of this amount $ 730 million will be set aside for regional programmes 1/.

4. The need for constant review of relevant policies and procedures is consequently no less important for inter-country than for country programmes. It is hoped that the present study will make a contribution to this process.

Purpose of the study

5. The study examines the experience of the United Nations system in using technical co-operation resources to help develop regional inter-country institutions as vehicles for the creation, adaptation, exchange and transfer of knowledge and skills needed by the participating countries for their social and economic progress. In assessing the functioning of these institutions, the study examines their methods of co-operation, notably in regard to their potential as instruments for technical co-operation among developing countries (TCDC). Based on these findings, the Inspector suggests ways and means by which the effectiveness of such institutions may be enhanced, particularly through improved utilization of resources supplied by the United Nations system.

1/ In addition the organizations of the United Nations system expend funds for regional technical co-operation from their regular budgets or from extra-budgetary funds other than those of UNDP. In 1979 such expenditures totalled almost $ 100,000,000 considerably more than what UNDP expended for regional projects in 1979. Thus it would be reasonable to assume that during the third cycle (1981-1986) the agencies will spend more funds on regional projects than the $ 730,000,000 projected by UNDP alone (see Annex I).
6. The Inspector is aware that results achieved thus far in solving many of the problems highlighted in the present study have been limited. An over-all analysis of the financial contribution of the United Nations system in this field was not practicable, on this occasion, mainly on account of the confusion still predominant in regard to the legal status of most of these institutions, which makes difficult to use the data available. This report does not pretend to provide the final answer to all problems -- further research based on information yet to be collected and analyzed will be required. But the report does attempt to identify the areas that require priority attention and suggest the broad approaches which experience shows may be the most effective.

Basis of the study

7. The study is based principally upon information gathered through questionnaires and interviews, and an examination of many relevant documents. It also takes into account the findings of previous JIU studies conducted between 1971 and 1980 on 23 individual regional institutions. It pays particular attention to the views of governments that have participated in regional undertakings assisted by United Nations organizations.

Acknowledgements

8. The United Nations organizations most concerned in this field of activity, including the regional commissions, were requested to co-operate in this study. Some of them provided useful information in regard to their involvement in regional projects, and UNDP made a particularly valuable contribution by providing the services of a fully experienced staff member working with the Inspector, in his personal capacity, for a two-week period. The Inspector had also the opportunity of enriching his views on the matter thanks to useful discussions and exchange of experience with many key officials of the United Nations system.

1. The Problem

Regional needs and inter-country technical co-operation

9. The regional approach to development reflects the fact that there exist many important problems of a shared character, among countries possessing common geographical, economic and cultural characteristics which can best be dealt with through concerted efforts. Recognition of this fact, which is itself a reflection of the essential and increasing interdependence of nations, has been demonstrated by the steady growth, in developing as well as developed regions, of regional and sub-regional integration movements, common markets, joint resource development programmes and the like. Such activities have made extensive use of technical co-operation, including resources available from the United Nations system, as a major means of furthering their objectives.

10. Some "regional" needs for which technical co-operation is provided represent simply a collection of individual national needs met from a common source. These needs may be perfectly valid, and the assistance applied to them extremely useful but they do not represent regional technical co-operation
as such. In the full and proper sense, regional technical co-operation must involve the strengthening of communication, interaction and collaboration among the participating countries, so as to help build up their self-reliant capability for dealing with common development problems.

11. It is a thesis of this study that the regional resources of the United Nations system are most effectively utilized when they are applied for the latter purposes, which include the support and development of viable regional inter-country institutions. This consideration is particularly vital, in the view of the Inspector, because of the critical need to encourage TCDC, an activity for which the regional technical co-operation programmes of the United Nations system are in principle especially well suited to serve.

12. Hence the need for the United Nations organizations to work out adequate policies and legal solutions in order to gradually transform those regional technical co-operation activities which were originally established as inter-country institutions but which are still in fact managed and financed as permanent and integral parts of the United Nations system notwithstanding their TCDC potential and basic characteristics.

13. The justifications for regional technical co-operation are many, and often include such important considerations as providing economies of scale or dealing with special needs and problems which can be solved only through collective efforts and the use of multi-country resources in a complementary, co-ordinated manner. But regardless of the reasons for which such activities are undertaken, their essential feature is that they involve continuous, active technical exchange between the participating countries— in other words, genuine TCDC. This factor is most critical when the collaboration of United Nations organizations is engaged, either in launching new regional inter-country activities or in strengthening ongoing activities, since assistance from the United Nations system can only be truly effective if it supports and reinforces the mutual efforts of the participating countries.

14. If the participation of the United Nations system tends in any way to minimize the reality of inter-country co-operation, the efforts are bound to be counter-productive and inimical to the promotion of collective self-reliance in development.

**Conceptual delimitation**

15. For the purpose of this report, a basic distinction should be made between (a) regional and global institutions which belong to and are the entire responsibility of an organization of the United Nations system, and which are therefore integral parts of the United Nations system even if their funding is provided by extra-budgetary sources, and (b) institutions established at the initiative of a group of governments as a collective inter-country undertaking, with part of their resources being contributed temporarily by at least one organization of the United Nations system.

16. The institutes or centres belonging to the United Nations system are of some interest in connection with this study, since their existence and the services they provide may influence decisions in regard to the establishment and scope of the institutions defined under group (b). They could and even should participate in and contribute towards the technical co-operation efforts of inter-country undertakings. However, the present report deals mainly with problems concerning the relevance and the effectiveness of the assistance provided directly by the United Nations organizations, to facilitate technical support for inter-governmental regional institutions.
17. Although the issue is partly semantic, it is also important for the sake of clarity to comment on the titles of these institutions, which may be known as "centres", "institutes", "programmes", "services" or "networks". For most of them the common denominator is a training objective and usually this is also their most important activity.

18. Over time, many of the training institutions have diversified their work to include other activities, particularly research, advisory and information services, as by-products and/or adjuncts of the training function, or as new services --not included in their original statutes-- demanded by countries of the region or offered to them to encourage their support and participation. With very few exceptions, however, this tendency towards a "polyvalent service" is still rather weak and the character of the institutions' programmes continues to be largely influenced by their original training objective.

19. The present report therefore concentrates on regional inter-country institutions which are assisted by United Nations organizations and which have a predominant training function. Different types of institutions, otherwise similar in nature but dealing mainly with applied research (e.g., certain regional services in the fields of agriculture or industry) will be included in the discussion only for comparative purposes, when relevant. In chapters 3 and 4, which deal with possibilities for improving the structuring and functioning of regional institutions, the question of definition will be reconsidered in relation to the appropriate division of responsibilities between the countries which sponsor such institutions and the United Nations organizations which assist them.

The inter-country regional technical co-operation institution

20. It is widely recognized that inter-country regional technical co-operation institutions can play a useful and cost-effective role by complementing and supporting the activities of national institutions operating in similar fields, thus fostering national and collective self-reliance. Effective regional institutions of this kind can in fact make a unique contribution to the progress of the developing countries by helping to spearhead innovative approaches to development problems and by adapting and disseminating new methods for the mobilization of scientific and technical knowledge and skills. Such institutions are particularly well-placed to deal with major development problems of groups of countries in a given area; to promote and exchange knowledge and experience through supporting and strengthening national institutions; to contribute to economic integration efforts; and to play a practical role in the context of TCDC.

21. Regional institutions organized as centres of excellence can also make possible the direct provision of services otherwise too costly or otherwise difficult to obtain, such as specialized training of small numbers of highly qualified specialists or instructors needed at the national level, or the provision of first class consultancy services, and they can also facilitate exchanges of experiences and information through networks of national and sub-regional services operating in the same substantive field.

22. In order to fulfill these functions, the institutions must be not only adequately endowed with funds, staff and equipment, but must also be properly structured. In the latter respect, the major pre-requisite for their effective functioning is that they come into existence and be established on the basis of a clear, specific agreement among the participating governments, as a reflection of their willingness to pursue common goals.
23. Other important conditions include an appropriate legal framework; qualified, independent management in full control of the institutions' resources and an agreed, clearly-specified programme of activities based firmly on the policies and objectives laid down by the participating countries. The host countries for regional institutions naturally play an especially important role in providing a domicile and focus of operation for the institutions, but the contributions of other participating countries towards the costs of institutional management and administration are also a critical feature.

24. When considering the role of the United Nations system in supporting regional institutions it should be noted that the essential objective is to help promote self-reliance. United Nations assistance must therefore support rather than supplant the mutual self-help activities of the participating countries, and it must not encroach upon those countries' fundamental responsibilities for institutional management and administration. The components of technical assistance provided by United Nations organizations continue, as in the past, to consist mainly of experts, fellowships, sub-contracts and equipment, any or all of which may be valuable and necessary inputs to support the development of regional institutions. The methods of their utilization, however, may have to undergo considerable change in order to render them more fully acceptable and effective.

25. In the use of the regional institutions' resources--including those contributed by the United Nations system as well as by the participating governments--it is important that the lessons of prior experience be systematically applied. These lessons notably include the need to strengthen national institutions for the provision of basic training, while reserving the facilities of regional institutions primarily for intensive, highly-specialized training serving concrete professional needs in specific fields.

Priority areas for regional technical co-operation

26. Regional programme resources may be used with special effectiveness to translate global and regional priorities expressed by inter-governmental decision-making bodies, including those of the United Nations system, into practical strategies and techniques for application at the national level. Examples of such priorities include actions to meet the basic needs (food, health, education, etc.) of the poorest population strata in developing countries; fostering development of the new international economic order; promoting integrated approaches to rural development; advancing the interests of women in development; and so forth. Tackling these and similar issues at the regional level may often prove the most cost-effective way of utilizing scarce resources for technical co-operation; in this connection, regional inter-country institutions may constitute particularly useful vehicles for the necessary exchanges of knowledge, experience and techniques.

27. Whatever the means used to select priorities, however, it is most important to ensure that the priorities themselves are in very close accord with the wishes of the developing countries concerned, as articulated by their governments. This is essential in order to guarantee that the determination to actively engage in inter-country co-operation is present from the outset of any subsequent technical co-operation activities. Otherwise, any assistance provided by United Nations organizations will operate in a virtual political vacuum and will accordingly tend to substitute for the central role which only the governments can appropriately play.
The use of other regional technical co-operation resources of the United Nations system

28. United Nations organizations may assist in the establishment of inter-country institutions and/or in strengthening their programme of activities. They can also provide technical co-operation for regional endeavours of a group of countries, either through expertise and advise from Headquarters and regional offices, or through technical services which can be made available by their regional and global institutions.

29. This parallel activity of the United Nations system should be carefully planned and consolidated at the regional level, including all useful forms of additionality such as the provision of supplementary fellowships and facilities for seminars, workshops and study tours, lectureships, pre-investment and feasibility studies, etc.

30. However, when such co-operation is directly related to an inter-country institution it should not in any way tend to dilute its inter-governmental status or to incorporate the institution under the aegis of the United Nations organization or organizations concerned.

2. Previous JIU Findings

31. Between 1971 and 1980 JIU studied 23 regional inter-country training institutions which in some form or other were or are being assisted by organizations of the United Nations system. Eleven of the centres studied involved UNESCO, three FAO, two UPU, and one each the UN, ECLA, ECWA, ESCAP, ILO, IMO and WHO. A number of conclusions have emerged from these assessments, and from other related JIU studies, which would seem to be particularly relevant to the present study, and which are discussed below. They concern principally the nature and extent of government participation; sources of finance; type and scope of United Nations system involvement; acceptance and impact of services; the TCDC potential; and network arrangements.

Government management and financing

32. It is commonplace to talk of a pre-"UNDP Governing Council Consensus" and post-"Consensus" approach of the United Nations system to technical cooperation, whether at the country or inter-country level. The "Consensus" among other things stressed the right of governments to make their own choices, based on their own development objectives and priorities, on the allocation of UNDP resources placed at their disposal. Yet it is not as obvious as might be inferred from this that governments have actually taken up the role expected of them in determining priorities for regional undertakings and in backing them up once they have been established, and that United Nations system organizations have fully adjusted to the new demands placed on them.

33. Evidence collected in the course of the JIU's studies suggests that prior to the adoption of the "Consensus" by the General Assembly, governments in most cases played a relatively marginal role in determining the purpose and operational modalities of regional institutions. Seldom did they initiate
the establishment of such institutions or participate actively in the policy or decision-making process leading to their creation. Regional institutions were almost invariably initiated by United Nations system organizations, and tended to benefit mainly the host countries, which were usually most closely associated with the management and operation of the institutions and provided the bulk of the counterpart funding.

34. Even in the current phase of United Nations system assistance, many of the institutions are far from the goal of self-reliance and self-sufficiency due to lack of adequate support by the countries concerned. Indeed, a fair number were set up long before adoption of the "Consensus" or the "New Dimensions" approach to technical co-operation, so that they have continued in an ambiguous state: though theoretically managed and financially supported by the countries directly involved, they are, for all practical purposes, dependent in varying degrees on United Nations system assistance for survival.

35. Lack of identification with and commitment to regional institutions by the countries concerned, because not considered to be attuned to priority needs as these countries perceived them, has led to the demise of many such institutions on termination of United Nations system support. Other reasons for insufficient interest may have been ill-defined purposes and objectives of the institutions, and project documents which tended to be too input-oriented rather than results-oriented. Moreover, many institutions were in practice extensions of the United Nations organizations' secretariats.

36. Introduction of country and inter-country programming and the IPF system, as well as governments heightened awareness of their prerogatives, suggest the potential for shifting the initiative in establishing regional institutions from the United Nations system to the countries of a region. There should no longer be any doubt that the governments concerned are clearly responsible for taking the leading role in setting up and managing such institutions.

37. However, the autonomy and viability --and by the same token the durability-- of many regional institutions continues to be jeopardized by the absence of well-defined legal frameworks, such as inter-governmental agreements or similar binding legal instruments. This had undoubtedly contributed to the lack of firm and lasting support --including financial and logistical support-- by countries deemed to be participating in these institutions. In this connection, it is noteworthy that in a number of cases institutions which originally were set up with a regional scope have assumed a purely national status (in the host country) on cessation of United Nations system support.

Sources of finance

38. One salient characteristic of most regional institutions studied was the low rate --if not absence-- of financial contributions from participating countries. The bulk of the financial resources came partly from the host countries --in some instances up to half or even more-- and partly from UNDP, multi and bilateral assistance programmes. Only very exceptionally did all countries participating in a regional institution contribute regularly to its budget. In one commendable instance the contributions were based on the assessed contributions to the regional inter-governmental organization to which the participating countries also belonged.
39. Such commendable exceptions apart, many of the institutions studied were seriously impaired in fully developing their activities and potentials because of budgetary deficiencies arising out of irregular income and over-dependence on extra-regional funding.

40. A particularly serious problem has arisen with regard to institutions in which the majority of participating countries are among the least developed and consequently least able to make more than token contributions despite the political backing they have given to these institutions. In these situations a case could be made for special consideration by the United Nations development system to assure the financial viability of the institutions through flexible formulae that would ease the financial burden for such countries.

41. With regard to several of the institutions studied, the JIU has proposed that additional sources of income be explored in order to supplement contributions from participating countries and thus strengthen the financial viability of the institutions. Among the possibilities suggested were provision of advisory services on a fee basis or undertaking of certain tasks (e.g., research or assistance in development co-operation projects) under contract on behalf of United Nations organizations or multi-bilateral aid agencies under United Nations system auspices. Sub-contracting arrangements would have the merit not only of generating additional income but also of strengthening the substantive qualifications of regional institutions and their links with United Nations system organizations, facilitating a two-way flow of experience and information.

United Nations system involvement

42. Involvement of the United Nations system in the 23 regional institutions studied varied from mere provision of consultant services and fellowships to the financing of a full complement of international project staff, fellowships, teaching materials and equipment, and subsidies to local operating costs together with a decisive voice in the policy-making bodies of the institutions supported. The directors of almost half of these institutions were initially appointed and paid by a United Nations system organization. Currently in a few instances the director is still an appointed staff member of a United Nations system organization.

43. Temporary dependence on the United Nations system for staffing of regional institutions may be justified in certain cases, so long as actual management lies in the hands of the participating countries, where these countries are themselves short of trained personnel and can ill afford to release them. There comes a time, however, when such United Nations system involvement must cease and the institutions should stand on their own feet. Deliberate plans should be made to eliminate this form of dependence at the earliest feasible stage.

44. There now appears to be a clear trend towards a distinction being made between institutional support and programme support of regional institutions by the United Nations development system, with United Nations system resources being increasingly directed to the substantive work of such institutions, particularly to their task of becoming centres of excellence and the foci of networks of national institutions. This trend, which is very much in keeping with the recommendations of the Buenos Aires Action Plan concerning TCDC, should be encouraged and strengthened.
Acceptance and impact of services

45. If the degree of acceptance and impact of services rendered by regional institutions were measured in terms of financial support by participating countries, the majority of those studied would not have passed the test. A few, however, were successful and widely accepted in spite of an almost total absence of any financial support by the countries concerned. In such instances this seemingly paradoxical situation came about because most of the participating countries were—and still are—among the poorest.

46. In one case, for example, the services of the institution were considered highly satisfactory and their continuation necessary, and yet the participating countries, because of their own financial constraints, preferred that the host country assume full responsibility on completion of United Nations system assistance.

47. The reverse has also happened, where a major obstacle to an institution with a regional vocation becoming a fully autonomous inter-country institution managed by the participating countries, has been the host country's reluctance to give up its prerogatives because it alone had been responsible for the provision of the counterpart contribution.

48. Overall, however, somewhat less than half of the institutions studied have eventually become fully accepted and autonomous, with the participating countries shouldering the main financial and policy-making responsibilities.

49. The impact of the institutions' services has been difficult to measure in the absence, in almost all cases studied, of any system to follow-up the professional and career development of the persons trained.

50. Analysis of statistics on courses and participants seems to indicate an increasing trend towards training of trainers and instructors and persons in key policy-making or other influential positions. Could it be verified, this would be a positive development in that the multiplier effect, and by the same token the rational use of resources, would be improving.

TCDC potential

51. The main purpose of JIU in studying a selected number of regional institutions in the recent past has been to assess their effectiveness as instruments of TCDC at the regional or sub-regional levels. Most of the institutions were found to have the capacity to become focal points for TCDC activities, provided that the primordial role of the participating countries in the management of the institution becomes a fact as well as a principle.

52. As shown by the studies, this potential could be further developed along the lines of the Buenos Aires Plan of Action, with the support of the United Nations system and in forms suited to the needs and capabilities of each institution. In a few cases, the institutions attained a level of expertise and organization that have enabled them to play an effective TCDC role with no more than marginal inputs from the United Nations system needed. In most cases, however, the institutions still required substantial support by the United Nations system to develop fully their TCDC potential: for example, a number of them were lacking appropriately trained staff, while others needed to strengthen their organizational structures.
53. The United Nation's system support to regional institutions should be increasingly directed to the promotion of technological self-reliance and the co-ordination and pooling of information and experiences.

54. Eventually, regional institutions could act as executing agencies of UNDP-financed projects. Also, they could become the catalysts of co-ordinated region-wide efforts to establish joint programmes and projects. Going a step further, regional institutions could, with United Nations system encouragement, launch into inter-regional TCDC as has been demonstrated successfully in several cases which came to the notice of the JIU.

**Network practices**

55. An effective means of enhancing the role of regional institutions in TCDC is the building up of relationships with national institutions in participating countries. One of the regional institutions studied, for example, based its training programmes on national institutions so as to enable them to develop and strengthen their own capacities; the ultimate goal was to create a network of self-reliant national institutions that could offer training to countries not having such facilities. In another case, the regional institution created co-operative links and channels which enabled the participating countries to pool their experience and their human and financial resources for the benefit of common development activities.

56. In the course of its studies, the JIU has come across two noteworthy cases of network arrangements. In one, the UNDP-assisted regional institution operated through national educational institutions—each offering certain disciplines in health sciences—which were willing to open their courses to persons from other participating countries or territories of the region with no or only a minimal tuition charge. This network of educational institutions acting as "regional centres" was complemented by a multiplicity of "co-operating institutions" (ministries of health, other university establishments, the secretariat of the regional integration organization, etc.) which also contributed to the training programme.

57. The other example involved the co-operation of national vocational training agencies through a regional research and documentation centre which also has been maintaining contacts with other public and private bodies, including employers' and workers' organizations, in the countries of the region. With a small core staff and a network of external collaborators (individuals and institutions) in the region, the centre has been aiming at facilitating the establishment and development of national vocational training institutions and schemes and, above all, at promoting co-operation among the participating countries through such means as bilateral or multi-lateral co-operation agreements, exchange of ideas and experiences at technical meetings, seminars and workshops held throughout the region, studies, information bulletins and training manuals prepared on a decentralized basis and a documentation centre that has established a network of national documentation and information referral systems concerning training matters. Co-operation among national institutions has also made it possible, with limited resources, to train a large number of their personnel in subjects such as planning, administration and evaluation of training programmes, preparation of training materials, etc. Technical assistance provided by the centre in this case has been based largely on co-operation between institutions and the use of expertise readily available in the region.
58. The foregoing examples merely serve to illustrate the innate potentialities of the new empires, singly and collectively that could be tapped for their mutual benefit. There is scarcely a sector in development in which the value and function of TCDC has not been recognized.

59. To a lesser extent, the United Nations development system will be to facilitate TCDC activities, particularly through regional institutions. As previously suggested, effective use of United Nations system resources for TCDC purposes requires that the institutions concerned be established and managed by the participating governments themselves, and legally constituted to reflect the governments' fundamental responsibilities: for the United Nations system to assume responsibility for initiating, funding or managing intergovernmental co-operation in a TCDC context would be contrary to the accepted principle of self-reliance and would not contribute to TCDC.


Broad Principles Defining the Role of the United Nations System

60. Particular emphasis must be placed on the role of the United Nations system in the context of co-operative development in the context of developing countries, and the United Nations organizations towards the achievement of a just and equitable world order. Questions of technical co-operation were less prominent in the relevant pronouncements and directives of the General Assembly, etc. An attempt is made below to recapitulate, in a more systematic, concise policy decisions which are most germane to the system and specific co-operation activities.

61. Development Analysis and Planning. The concept of a world co-operative development was adopted partly in response to difficulties in achieving results of the First Development Decade. By the 1960s, it was becoming increasingly clear that traditional theories of sectoral growth, primarily appropriate models for the developing countries and related to social equity, taking full account of their widely-different economic, social and political systems. In particular, the concept of a world co-operative development entailed the need for self-reliant tailor-made strategies of national co-operation in the context of a co-operative world order, and the establishment of sectoral development policies, by individual governments and the United Nations system.

62. Consensus. The need for more coherent procedures and policies within a United Nations system, with its limited resources, to deal with increasingly complex aspects of socio-economic development, became increasingly evident from the circumstances contributing to the evolution of the 'united approach' concept. This led to the production, at the request of the UNTA Co-operating Council, of Sir Robert Jackson's Study of the

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2/ CA resolution 2581 (XXV). See also GA resolution 3409 (XXX).
Capacity of the United Nations Development System 3/ and of the Governing Council Consensus 4/ which ensued. Although the dominant feature of the Consensus was its country orientation, it did include some basic provisions concerning inter-country activities, which it defined as "the programming of assistance for groups of countries on a sub-regional, regional, inter-regional or global basis" in relation to the development priorities of the countries concerned. In making these provisions, the Consensus clearly viewed the promotion of supra-national technical co-operation as an essential complement of activities at the national level.

63. The New International Economic Order. The call for a new and more equitable relationship between developed and developing countries, embodied in the Declaration and Programme of Action on the Establishment of a New International Economic Order 5/ placed central emphasis on the interdependent nature of the global community, and the consequent need for international solidarity in overcoming the widening gap between developed and developing countries. In this context, the NIEO decisions drew attention to the vital importance of accelerated and expanded international assistance to the developing countries. The developing countries were called upon to build up collective self-reliance and co-operation, through the establishment or strengthening of economic and technical integration structures at regional and sub-regional levels. Developed countries were urged to support such measures through the extension of financial and technical support, and the developing countries themselves were encouraged to take parallel measures through the expanded use of TCDC.

64. The UNDP "New Dimensions". In response to the need for increased flexibility created by the complex demands arising from the quest for a new international economic order, the UNDP Governing Council in 1975 adopted a series of policy guidelines known collectively as "New Dimensions" in technical co-operation 6/, reaffirming the 1970 Consensus as the comprehensive framework for UNDP activities. New Dimensions explicitly recognized the basic purpose of technical co-operation as "... the promotion of self-reliance in developing countries by building up, inter-alia, their productive capability and their indigenous resources and by increasing the availability of the managerial, technical, administrative and research capabilities required in the development process". Among its provisions designed to strengthen self-reliance, the New Dimensions decision drew attention to the critical importance of TCDC, and introduced a new approach under which governments of developing countries could increasingly take responsibility for executing UNDP-assisted projects.

65. Technical Co-operation Among Developing Countries. TCDC became an official policy of the United Nations system when the General Assembly endorsed the Buenos Aires Plan of Action in 1978 7/. TCDC is now seen as one of a number of vital forces in building up national and collective self-reliance,

4/ GA resolution 2688 (XXV) endorsed and incorporated the Consensus, which reflected the main conclusions and recommendations of the Capacity Study.
5/ GA resolutions 3201 (S-VI) and 3202 (S-VI).
6/ Endorsed by GA resolution 3405 (XXX).
7/ GA resolution 33/134.
and thus as an important element in the establishment of a new international economic order. The Plan of Action set forth concrete steps to be taken at the national, sub-regional, regional, inter-regional, and global levels to support and strengthen TCDC, including attention to the role of sub-regional and regional institutions. In addition, the TCDC Conference adopted a special resolution, also endorsed by the General Assembly, drawing attention to the important role which national research and training centres could play through purposeful development as instruments of TCDC. The Plan of Action stressed that United Nations organizations, particularly the UNDP should strengthen their support for TCDC through all these means.

66. **The International Development Strategy for the Third Development Decade.**

Taking account of major decisions on world social and economic development reached by the United Nations system during the 1970s, the General Assembly stressed that the development strategy for the Third Development Decade should be formulated within the framework of the NIEO and directed towards the achievement of its objectives. A major element of this strategy is defined as the attainment of national and collective self-reliance by the developing countries through the promotion and support of mutual economic and technical cooperation. Here again, the importance of sub-regional and regional cooperation was made manifest.

**Their relevance to regional inter-country institutions**

67. It will be noted that, although the foregoing policy guidelines have originated at different times and from different decision-making bodies in the United Nations system, they are fully consistent and mutually reinforcing in their fundamental emphasis on the need to promote self-reliant progress in the developing world.

68. Economic and material growth by themselves are not viewed as sufficient conditions of development. Important though they are, growth must be brought about in ways which actively promote the self-reliant capabilities of the developing countries, in order to be of genuine, lasting value. These considerations are accordingly of primary significance for the organizations of the United Nations system in deciding whether and how to respond to requests for assistance at all levels, including the setting up or strengthening of regional inter-country institutions. Thus, to qualify initially for assistance, the institutions in question should meet the test of contributing to self-reliance in the essential respects.

69. Their substantive objectives and work programmes should be systematically conceived on the basis of a unified approach to development and deliberately oriented towards promotion of the new international economic order.

70. In fact as well as in theory, they should be created and managed by the countries participating in them, with adequate provision made by those countries, out of their own resources, for the continuing maintenance and management of the institutions, thus providing the essential foundations of self-reliance and TCDC.

8/ 18th Plenary Meeting
9/ GA resolution 33/193
10/ This condition is stated as a matter of general principle. In practice, certain exceptions may be necessary, under carefully defined conditions, on behalf of least-developed countries participating in regional inter-country institutions. The Inspector addresses this question further in chapter 4 below.
Regional programme resources and their effective use: the need for a systems approach

71. Most of the technical co-operation resources of the United Nations system are used to support activities at the level of individual countries, but a significant portion is channelled into inter-country activities at the regional level. This much, at any rate, is suggested by the allocation patterns of the UNDP whose regional programme allocations actually increased by 66 per cent from the first to the second programme cycle, and are planned to increase by another 137 per cent in the third cycle. Even allowing for inflation, the absolute increase, i.e., from $183 millions in 1972-76 to a planned $730 millions in 1982-86, represents impressive growth \(11\). The total resources devoted to regional programmes by the entire United Nations system are of course even larger (see footnote 1); but the JIU was not provided with detailed information by all the United Nations organizations concerning regional inter-country institution, and the total resources devoted to them remains unknown.

72. Notwithstanding their rapid expansion in recent years (at least under the UNDP programme), the regional technical co-operation resources of the United Nations system are strictly limited, and the need to ensure that they are used to greatest effect remains imperative. Elimination of needless or wasteful expenditures particularly when arising from unnecessary duplication of activities or the less-than-organization and functioning of administrative structures, has been a recurrent concern of Member States and of executive heads of all United Nations organizations. The effective use of these organizations' resources for technical co-operation hence calls for a systems approach to objectively guide the organizations concerned in their important and delicate task of helping countries to help themselves. This requirement is all the more pressing in light of the fact that most of the United Nations organizations contacted by the JIU in the preparation of the present study --perhaps with the only exception of UNESCAP-- have not yet formally adopted systematic rules and guidelines for the use of regional technical co-operation resources. \(13\)

73. United Nations organizations generally recognize the need for a systems approach, incorporating both a policy framework and operational procedures, as an essential tool for achieving optimal results in the use of technical co-operation resources. Such systems have already been elaborated in considerable detail for the use of resources at the country level, but are still somewhat residual in respect of utilization for regional projects. Perhaps the most important case in point is that of the UNDP, which is the largest single supplier of regional programme resources in the United Nations system: the UNDP Policies and Procedures Manual contains sound and extensive guidelines for country programming and project development, but none at all for regional programming and project development \(12\).

74. Since the tasks involved in programming and project development differ significantly between the country and regional levels, this is an omission which should be rectified as speedily as possible. The regional programming initiatives recently launched by the UNDP, and outlined in paragraphs 85 and

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\(11\) See Annex II for a tabular analysis.

\(12\) Efforts to fill this gap are being made. A set of "Policies and Procedures for Regional, Inter-regional and Global Programmes and Projects" has been drafted by the UNDP, in consultation with all other organizations of the United Nations development system, to be applied to inter-country activities assisted by the UNDP; however, these guidelines had not been officially issued when the present report was prepared.
86 below, represent an important step in the right direction, but still only part of a process which hopefully will culminate in the codification of comprehensive policies and procedures.

75. Much the same starting appears to exist in other United Nations organizations which dispose of resources for regional technical co-operation activities. As in UNDP, these organizations seem to rely largely on rule-of-thumb approaches adopted from policies and procedures laid down for activities at the country level, or by establishing their operational criteria for regional projects on a case by case basis.

76. As mentioned, an important exception exist in the case of UNESCO, which has adopted a set of formal principles regarding the use of resources to assist international and regional institutions 13/. Document 109 EX/6, prepared for the 109th session of the Executive Board includes (1) a typology of the international and regional centres with which UNESCO maintains relations; (2) the principles on which the Organization's general policy should be based, and (3) the guidelines in regard to the procedure to be followed in this field of activity.

77. The general philosophy underlying these policies, as adopted by UNESCO for regional operations, points out the necessity of taking into consideration not only the question of the distribution of the resources, but the quality and efficiency of the activity conducted and/or assisted by the Organization and its particular effects in the region, stressing complementarity, promoting TCDC and avoiding proliferation.

78. A special section of the report of the ILO Director General to the 1977 International Labour Conference was also devoted to policy issues concerning inter-country projects and TCDC, including questions related to the promotion of regional training institutions; however, this is not equivalent to the kind of explicit method of approach which the Inspector considers to be needed.

79. Details of political and procedures for regional programming and project development will have to be worked out by the United Nations organizations concerned. Thus, the following sections discuss only the more fundamental principles involved and confines its proposals to basic approaches considered to be necessary and feasible, generally applicable in the United Nations system. These approaches are establishing operational policies and procedures which are sound and easily understood by all parties concerned: they should be flexible enough to respond to realities and differing regional situations, but sufficiently firm to ensure questions, especially those involving the responsibilities and relations of the two major parties involved, i.e., the governments and the international organizations respectively.

Priorities and preferences

80. Given the priorities, in terms of sectors and projects of assistance are certainly examined according to the United Nations organization concerned. UNDP with its comprehensive mandate embracing virtually all sectors of development, is the only large resources committed to regional programmes, faces the most complex task in this area and it is therefore particularly relevant here to examine UNDP's experience and intended approaches in some detail.

13/ UNESCO General Conference resolution 21/C/37 (October 1980).
81. According to the UNDP Governing Council Consensus, assistance for inter-country activities should be "... related to the development priorities of the countries concerned, and as far as possible planned over a period of years". This directive has been reinforced by the UNDP's New Dimensions policy, which indicates that "... the selection of priority areas in which to seek assistance of UNDP should remain the exclusive responsibility of the recipient countries... taking into account the importance of reaching the poorest and most vulnerable sections of their societies and enhancing the quality of their life".

82. The determination of UNDP regional programme priorities, on the basis laid down by the Governing Council, has proved extremely difficult largely because of the absence of regional inter-governmental bodies empowered to make decisions or priorities on behalf of all governments concerned. In other words, there are no fully competent counterparts, at the regional level, for the national co-ordinating bodies which set priorities for UNDP country programmes.

83. Accordingly, UNDP's regional programme priorities have hitherto been established through an ad hoc process of consultation with those regional inter-governmental bodies which do exist (whatever their limits of authority and scope) and with the organizations of the United Nations system. In practice, the advice of the latter has been most easily obtained and has tended to carry the most weight -- so much so that many regional projects have in the past been identified and formulated prior to their submission for formal approval by the intended participating governments. In many instances this has led to mere token participation by the governments in project implementation and financing.

84. Until the beginning of the second programming cycle (1977-81) UNDP's regional programmes were not formally documented (as country programmes were) in terms of identifying the problems they were intended to meet, the priorities and strategies which they were to follow, and the general nature of the projects they were to finance. This was due in large part to the essentially ad hoc nature of programming inherited from the pre-Consensus period and briefly referred to in the preceding paragraph. However, at the 23rd session of the UNDP Governing Council in January 1977, documents covering each of the inter-country programmes (global, inter-regional and regional) were for the first time prepared and submitted for the Council's consideration. Although the documents were of a somewhat experimental character and still fell unavoidably short of providing an accurate, reliable reading of the priority needs of the developing countries concerned, they did represent an important step towards rationalizing the process of priority determination 14/.

85. At its 26th session, the Governing Council decided to review the practices for determining priorities for inter-country programmes "in order to enhance the collective involvement of developing countries in each region". With this purpose the UNDP Administrator, in consultation with specialized agencies and regional commissions, proposed a new consultative process 15/ to be followed in determining programme priorities for the third cycle, giving maximum participation to all concerned, but most particularly to the interested governments. To this end, among other measures, the Administrator will convene, in collaboration with the Executive Secretaries of the regional commissions, a special meeting of the

14/ The regional programmes were set forth in DP/217 (Asia and the Pacific); DP/218 (Europe, Mediterranean and the Middle East); DP/219 (Africa); and DP/225 (Latin America).

governments in each of the areas covered by the regional programmes to discuss and review the draft regional programme for 1982-86 prepared by the Administrator. Each government will decide on its appropriate representation, the only requirement being that the representative should be fully briefed and empowered to speak on behalf of his or her government regarding programme priorities.

86. As part of the consultative process, specialized agencies will be requested to provide sectoral analysis of regional trends and requirements in their areas of competence. Agencies with multi-sectoral responsibilities, such as the United Nations and UNCTAD, as well as the regional commissions, will be invited to attend regional and sub-regional meetings of other agencies as appropriate. On the basis of these discussions, final draft programmes will be prepared and submitted by the Administrator to the Governing Council, together with a report of the main conclusions of the respective inter-governmental meetings.

87. In the view of the Inspector, the new consultative process established by the UNDP, provided that it is carried out systematically and energetically, should constitute a major advance in dealing with the difficult problem of determining regional priorities for technical co-operation. It should prove particularly useful in rationalizing the approach to regional institution-building, upon which this report is mainly focused.

88. Regional inter-country institutions vary widely in their substantive interests, any of which may have high priority at a given time and in a particular region. But whatever the nature of these interests, there are certain factors which are of particular importance in determining the relative priority of such institutions for assistance from the United Nations system. These factors are of special importance when competing proposals arise for assistance to institutions with similar scope and programme activities.

89. In the opinion of the Inspector, priority should always be given to assisting institutions which receive the strongest interest and commitment of the participating countries, since this is the best guarantee of effectiveness and self-reliance. Such institutions will normally be characterized by self-management, under an inter-governmental board, and self-financing from agreed contributions by the participating countries.

90. Beyond these fundamental considerations of the participating governments' involvement in the administration and financial support of regional institutions, there are certain other considerations of primary relevance to the determination of priorities for assistance from the United Nations system. These include the number of countries served by the institutions (generally speaking, the more the better, provided that the governments' commitment are strong and clear) and the nature of the countries served: those dealing with problems of the least-developed, most seriously affected, land-locked and developing island countries would have an obvious priority, again assuming effective commitments on the part of the governments concerned.

91. Special forms of inter-country institutions—co-operation meriting priority considerations for assistance from the United Nations system is the regional network, involving twinning, multiple twinning or co-operation agreements among a number of national institutions working in similar fields. Such networks have the advantage of providing for direct government participation at the individual country level, with added collaboration taking place through the medium of regional co-ordination units. These units can be effectively assisted by United Nations organizations, using regional programme funds.
In cases of special need, as for example where least-developed countries are concerned, consideration might also be given to the use of regional programme funds to strengthen the national institutions which are or will become parts of regional networks.

**Conditions and prerequisites of assistance from the United Nations system**

As noted previously, United Nations organizations have developed a variety of procedures for handling requests for assistance to inter-country institutions and for determining the conditions on which such assistance will be provided. The following suggestions are accordingly confined to the more basic issues involved, with reference being made, where necessary, to the existing practices of the organizations. Two sets of principles are involved and are examined separately: one relates to the assistance itself and the ways in which it can best be provided by the United Nations system, while the other concerns the characteristics (constitution, organization and administration) of the regional institution for which assistance is requested.

**Inter-country Institution**

An inter-country institution is by definition an inter-governmental undertaking, its existence and activities being the responsibility of the participating countries. However, support given by a United Nations organization using international resources, involves an association and a commitment which should be based on objective principles making clear the responsibility of that organization to help maximize the benefits of the project. Once assistance is approved, the inputs of the United Nations organizations should merge with the contributions of the participating governments; in other words the assistance should be assimilated by the institution so as to form a single integrated project under the full authority of the sponsoring governments.

**Programming**

95. Requests for assistance should be considered within the framework of a formal regional programme which lays out broad priorities and strategies for the use of programme resources based on consultations with governments of the countries in the region, and where necessary, with other United Nations organizations concerned (as in the case of the UNDP, whose present procedures were outlined in paragraphs 85 and 86 above).

96. In setting forth the guiding priorities and strategies, the programme document should indicate how the broad global policies of the United Nations system are to be applied and integrated with the preferences expressed by governments. It should also provide a clear explanation of the methods to be followed in providing assistance for regional activities and in particular the roles to be played by the United Nations system and the participating governments respectively.

**Appraisal of requests**

97. Once it is established what a request for assistance to an inter-country institution is consistent with the priorities of a regional programme, the request should be intensively appraised to determine its merits and viability. The appraisal should cover at least the following criteria.
98. **Origin of Requests.** The request should originate directly from the governments participating in the regional institutions concerned 16/ , and should be officially conveyed through the recognized channels of communication. Resolutions or recommendations emerging from meetings of regional bodies of the United Nations (such as conferences, expert working groups, etc.) are not sufficient in themselves to serve as requests, although they may be taken into account, where relevant in determining the extent of regional interest in particular areas of assistance.

99. **Basic Information.** The request should provide at least the following information to serve as the basis for appraisal: (i) the objectives and functions of the proposed or existing institution for which the assistance is required; (ii) the nature and nature of the assistance needed; (iii) the content of the institution's proposed or existing programme (training, research, information and advisory services, etc.); (iv) the draft programme budget of the institution for the period for which assistance is requested, with an indication of the sources of funds required; (v) the professional and administrative staff available by the participating countries; (vi) the facilities to be provided by the prospective host country; and (vii) the nature of the results expected from the institution's activity 17/.

100. **Viability of the Institution.** The long-term viability of a regional institution is a vital condition for the approval of assistance from the United Nations system and should be clearly considered during the appraisal of the request. It presupposes the existence of a formal co-operation commitment by the requesting countries, either as an inter-governmental agreement concerning the legal status, management and financial support of the institution or a formal statement of reservation covering the same ground and including a commitment by the participating countries to provide the funds needed for the institution's recurring operation costs, its physical infrastructure and other basic facilities and its permanent staff, including an administration of its own enabling it to function with autonomy.

101. As the foregoing suggests, many of the factors involved in appraising requests for assistance to regional institutions are very complex in character. The full exploration will usually necessitate a great deal of careful fact-finding and discussion among all parties concerned, but particularly with the participating governments. If required by the circumstances, the United Nations organizations concerned should be prepared to make staff or consultants available for this purpose.

102. The importance of carrying out a thorough appraisal cannot be too strongly stressed. The process should naturally be carried out with due regard to conservation of professional staff. It should on no account be stunted for reasons of haste. An over-hasty appraisal, resulting in ill-conceived or abortive projects, may represent serious waste in the end. It is the responsibility of those whose regional institutions are concerned since their successful operation, i.e., the degree of confidence in their participating countries is not always easy to ascertain.

16/ U.N.P.D requires that official requests for assistance under its regional programmes be approved by at least two governments, but in requests involving assistance to regional institutions the number would normally be considerably larger.

17/ Cf. UNESCO General Conference resolution 21/C/37 (October 1980).
Formulation of assistance agreements 18/

103 Technically speaking, appraisal and project formulation are separate activities, but in practice the two processes may often be combined. This is acceptable as long as it is understood in advance that the appraisal component is decisive and that it may lead to the extensive modification or even rejection of the original request for assistance. In any event, the formulation of assistance agreements for regional projects, including regional institutions, should be carried out at the field level 19, i.e., through direct, on-the-spot consultations by the concerned United Nations organizations with the participating governments, and with the full involvement of the UNDP Resident Representatives in the relevant countries. The points made about project appraisal in the preceding paragraph apply with equal force to the formulation process.

104. Sound, careful project planning is a sine qua non of success at the implementation stage; by the same token, serious problems, delays and failures are bound to result if planning is skimped or haphazard. Where regional inter-country institutions are involved, the project formulation process should pay especially close attention to defining the commitments of the participating governments and to establishing a precise and proper relationship between the institutions and the assisting United Nations organizations.

Implementation of assistance: management and execution

105. The term "project" is used in this report mainly in the sense familiar to the United Nations system, with reference to the package of assistance provided to individual government undertakings. In the proper sense, of course, projects are the government undertakings per se, which assistance from the United Nations system merely supplements, albeit in critical ways.

106. In the not too distant past the concept of project execution has carried the implication that the United Nations organization responsible for technical backstopping and provision of administrative support (recruitment of experts and consultants, procurement of equipment, arrangement of fellowships, etc.) is also responsible for project management, either totally or on a shared basis with national project directors -- hence the term "project manager," which as in many instances been used to designate the senior international expert assigned to a project supported by the United Nations system.

107. The JIU has previously pointed out, in its Report on the Role of Experts in Development Co-operation 20, prepared at the request of the UNDP Governing Council, that this is an erroneous concept which has not only led to a great deal of unnecessary confusion as to roles and responsibilities, but has also hampered the promotion of self-reliance in development, which is the basic purpose of the technical co-operation activities of the United Nations system. The report in question was addressed primarily to technical co-operation at the country level, but its principles apply with equal force to

19/ More generally known in the United Nations system as "project documents"
19/ Cf. the Consensus, which stipulates that: "To ensure soundness of project formulation, it will be carried out at the country level".
20/ JIU/REP/78/3
most regional activities, including assistance to regional institutions in particular. Indeed, experience clearly shows that one of the main shortcomings of many regional institutions supported by the United Nations system has been precisely their almost total dependence on the United Nations organizations concerned for the provision of management in all forms, as well as a large part of the costs of their operation and administration. This practice is completely inconsistent with the basic objective of furthering self-reliance, and it should cease.

108. All regional institutions receiving assistance for the first time should be under inter-governmental management from the outset, while institutions already receiving assistance should set up arrangements for inter-governmental management at the earliest practicable time, where such arrangements do not already exist 21/. This key provision should be specifically provided for in the relevant assistance agreements.

109. As the JIU Report on the Role of Experts in Development Co-operation also noted, a clear working distinction can be drawn between government (or inter-governmental) management, on the one hand, and government (or inter-governmental) execution, or the other — execution here meaning the recruitment and procurement of services normally performed by the United Nations organization responsible for technical backstopping and administration of assistance. Although in the opinion of the JIU governments have the right to “execute” in this sense, if they so wish (implementation, including execution, is part of the management function) they may also delegate execution to the United Nations organization concerned. In practice, certainly, execution by United Nations organizations is the rule, rather than the exception, probably because governments find it convenient 22/. Nevertheless, governments wishing to perform the traditional execution functions of the United Nations organizations in regional projects should be enabled to do so, if necessary with assistance from the relevant United Nations organization 23/. Regional inter-country institutions should lend themselves particularly well to this method of execution if their management and administrative structures are set up on the self-reliant basis advocated in the present report.

Supervision and follow-up

111. It stands to reason from the foregoing discussion that supervision and follow-up of the activities of regional inter-country institutions, including

21/ Government — or inter-governmental — management does not in any way preclude the use of United Nations system resources to provide technical assistance in carrying out management functions. It a regional inter-country institution exists, as is the case through the provision of management advisory services on a long-term, short-term or intermittent basis. The important thing is that there is a clear recognition among all concerned that the participating governments themselves have the overall management authority and responsibility.

22/ Although the 1975 New Dimensions policy introduced government execution as an alternative to execution by United Nations organizations, there were only 40 JNDP-assisted country projects under government execution by mid-1980.

23/ At mid-1980, JNDP had only seven regional projects under government execution.
activities carried out with assistance from the United Nations system, are
aspects of management and therefore primary responsibilities of the participating
governments. Nevertheless, full understanding must be reached in advance.

between the governments concerned and the relevant United Nations organizations,
to ensure the most effective use of the resources to be provided by the United
Nations system. It’s required that the assistance agreements incorporate
specific and adequate provisions for monitoring, evaluation, and any required
follow-up.

It should be noted here that governments may, if they wish, divide these
supervisory functions, i.e., by carrying out monitoring and evaluation of the
activities of the regional institutions per se independently and separately
from monitoring and evaluation of the assistance from the United Nations system.
However, since the purposes of the governments and the United Nations organiza-
tions are, or should be, parallel, and since inputs from both are usually merged
in the project monitoring and evaluation of both aspects of activity should
preferably be carried out as a unified, joint process, again if the participating
governments so desire. In any event, monitoring and evaluation of assistance
provided by the United Nations system must always be a co-operative activity,
planned and carried out in the closest consultation between the participating
governments and the relevant United Nations organizations.

Monitoring and evaluation are extremely important aspects of technical
co-operation but it’s the impression of the Inspector that they have not in
general received adequate attention in the context of assistance to inter-
country institutions. Some special observations are therefore in order, taking
particular note of the procedures adopted by the UNDP.

Monitoring is the continuous oversight of the implementation of an
activity and seeks to ensure that input deliveries, work schedules, targeted
outputs and other aspects are proceeding according to plan. It is a management

by means of monitoring, the United Nations organizations should anticipate
and check slippages, take note of problems and achievements and whenever
necessary, cause and propose timely and appropriate adjustments to overcome
implementation difficulties. Since this process requires a constant perfor-
manoon it can be effectively guaranteed only on the basis of specific
provisions in the assistance agreement, and in close consultation and co-
operation with the participating governments and the management of the institution.

In the case of UNDP assistance to regional activities, the monitoring
process is present aspects are handled by the Resident Representative in the host
country—sometimes designated as Principal Project Representative (PPR).

Finally, the PPR, who is primarily responsible for gathering and sharing information, is liaison with the United Nations organizations
cornered with the assistance of Resident Representatives stationed in
the other participating countries, are chiefly to keep all the parties concerned
duly informed about the whereabouts of the international project personnel and
other aspects of project implementation.

To keep abreast of these "other aspects", the PPR relies in the first
instance on the reports prepared every six months by the leader of the inter-
national project personnel. The regular reporting process required by the
UNDP Policies and Procedures manual is comprehensive and chiefly involves:
(i) the above-mentioned semi-annual progress report, which should be forwarded by the UNDP to UNDP headquarters, together with his own observations, (ii) the report, which may be based on the executing agent as a supplement to the semi-
annual report, (iii) the mid-term review report, (iv) the draft terminal report, (v) the semi-annual report prepared for discussion four months before completion of the project - operational activities, and (vi) the terminal assessment report prepared by the UNDP on the final results of the assistance and relevant re-
commendations.

In many cases of UNDP assistance to regional institutions, however, this reporting system has not functioned satisfactorily, and a considerable number of costly special reviews have consequently had to be mounted.

Under certain circumstances, the monitoring implementation of UNDP-assisted projects in the Tripartite Review, which is supposed to be held at least annually. These reviews, which include the participating governments, the United Nations Technical Organizations concerned and the UNDP, are organized by the UN and the discussion is based on the report or the progress of the project. In order to account for the latest semi-annual progress report and the information concerning problems, constraints and other events. The Tripartite Review report is then circulated by the PPR to the UNDP to his own observers. The PPR also convenes a final Tripartite Review to discuss the annual report.

The value of reviewing project reports is considerable for providing opportunities for the analysis of all aspects of project performance, and it has proved to be a useful tool in general assessment and information, but by itself is not sufficient to meet the full requirements of the monitoring function.

In practice, it seems that the monitoring process is hindered to a great extent by the preparation of project agreements as the basic framework for guiding the implementation of the project. Improving the monitoring capabilities of the UNDP and the UNCTAD is one of the key jobs to have the substantive agreements on the quality of assistance and its proper use and in the absence of these, the time in itself an important factor. It is not less important to ensure that the results of this type of monitoring are satisfactory at present.

The objectives of an institution and/or its objectives are best achieved by review and evaluation. The process of review and evaluation is one of the most important and other exciting and review work.

In conclusion, it is evident that from previous reviewing and review activities particularly, as already suggested, these activities are more
systematically organized, with the active participation of the project management authorities. Generally, however, it will render optimum results when performed by individuals or teams independent of the authority which manages the activity under evaluation.

125. Evaluation should be the primary concern and responsibility of the managers of projects, i.e., the participating governments acting through the organizational structure they have created for an intercountry institution. The managing body of an institution should be free to call upon the concerned United Nations organization for assistance in evaluation, and could have recourse to outside specialists for evaluation. It would rarely be necessary to evaluate only the contribution of the United Nations system to the project since this assistance does not by itself lead to achieving the project objectives. Monitoring would usually suffice to control the timeliness and quality of the United Nations system inputs to the project.

126. The substantive focus of evaluation will naturally vary, depending on the nature of the regional institutions concerned, but there are certain common points of concentration. An important aspect to check is the state of the subject-matter itself, since evaluation of a training/research institution is primarily a problem concerning its effectiveness from a technical point of view. Most important are the objectives of the institutions and the related assistance from the United Nations system —hence the critical importance of defining these objectives clearly in the assistance agreement 24/. Assuming that this has been done in the assistance agreement, a complementary check list may be developed so as to provide the evaluation with a broadly significant frame of reference.

127. This additional check list might include such questions as:

- Is the institution collecting and analyzing information, making projections, and formulating alternative proposals to improve the self-reliant technical capacity of the countries of the region?

- Is the institution capable of assisting its member countries to organize and use multi-lateral channels for mutual help and exchange, besides bilateral flows of technical co-operation?

- Is the institution able to help its member countries in the conduct of their relationships with the developed world?

- Is the institution in a position to help in designing and supporting new facilities within the region to foster co-operation and intensify exchanges of information, knowledge and skills?

- Is the institution able to help in co-ordinating national institutions with shared substantive interests, in establishing twinning and network arrangements, and in pooling experiences, information and results?

24/ See in this regard JIU reports 77/1 and 79/2. Also Katz, F.M., Guidelines for evaluating a training programme for health personnel (Geneva, 1978), World Health Organization, and Procedures for the design and evaluation of ILO projects (Geneva, June 1979), International Labour Office.
Does the institution play a significant role in introducing innovative solutions for socio-economic development problems and in contributing to the implementation of basic policies and strategies of the international community, particularly concerning the promotion of national and collective self-reliance? 25/

128. UNDP's concepts of evaluation are set forth in the UNDP Policies and Procedures Manual, and in summary include the following elements:

- re-examination of project design;
- assessment of progress achieved, in relation to planned schedules and targets;
- assessment of results, in terms of project objectives;
- identification of factors which either facilitated or impeded the achievement of the project's objectives;
- recommendations concerning the future of the project, or a possible successor project, including proposals for overcoming factors adversely influencing the project's effectiveness.

These elements can certainly provide a foundation for the evaluation of regional inter-governmental institutions, but they require amplification to provide them with optimum utility. The supplementary check-list suggested in the preceding paragraph may be considered in this respect.

129. Follow-up actions needed to sustain the impact of assistance to a regional institution should ideally be identified at the time of project formulation and reflected in the assistance agreement. If this is not feasible, follow-up needs should be identified by participating governments in the course of project implementation. In such events, the final report and/or evaluation studies should clarify such requirements.

130. The follow-up could be implemented either through independent actions by the institution and its sponsoring governments, or with the assistance of the concerned United Nations organizations. In the latter event, such support from the United Nations organizations would naturally have to conform with the regional programme priorities and available funds of the United Nations organizations concerned.

131. Although frequently overlooked, this supplementary after-care action is often critically necessary, particularly in respect of regional institutions whose objectives relate to the promotion or preparation of capital investments and co-operation with financial institutions.

132. Effective follow-up requires conditions and pre-conditions above and extends to the preparation and project implementation, supervision and follow-up. It hinges on the institutional arrangements of the United Nations system, particularly of the Resident Representative, and on the staffs involved with individual regional institutions supported, and their staffs.

25/ This checklist is merely illustrative; the number and nature of the questions to be included would naturally depend on the substantive coverage, scope and functions of the institution under evaluation.
133. In the view of the Inspector, early and close attention should be given to the questions of strengthening UNDP Field Offices, to enable them to play a more active and creative central role in the exacting task of strengthening the support provided by UNDP and other United Nations organizations for the development of regional inter-country institutions, as well as other regional technical co-operation activities.

**Nature and duration of support by the United Nations system to regional inter-country institutions**

134. The nature and duration of United Nations system support for regional institutions are of the most critical aspects in regard to the viability of the institutions, as well as the effectiveness of the assistance itself. In the past, a large number of regional institutions have been set up on the basis of major dependence on United Nations system resources for the costs of their continuing operations, as well as their expenditures for substantive programme purposes. This approach has frequently been adopted with the explanation that the United Nations system's inputs merely represent "seed-money" to get the institutions started, with the reasoning -- explicit or implicit -- that after a certain preparatory period (say, three to five years) the institutions in question will become self-sustaining, or will at least make marked progress in this direction.

135. In practice, these expectations have proved generally euphoric; and there is accordingly a considerable number of such institutions, throughout the developing regions served by the United Nations system, which have not only been dependent on United Nations resources for many years -- fifteen years or more, in certain cases -- but which show no sign of progression towards financial independence. In these cases, it is rather abundantly clear that the institutions would simply cease to exist if support from the United Nations system were to be withdrawn: the reality may be partially concealed by certain devices such as additional "phases" or "bridging periods" of assistance, but such fig-leaves cannot hide the fact that budgetary self-reliance is no nearer now than it was when the institutions were first conceived. This situation is clearly at almost total variance with the purpose of the United Nations development system. It moreover represents a growing constraint upon the system to make the most effective use of its resources in diversified support of new regional institutions called into existence by the rapidly changing needs of the developing countries 26/.

136. The fundamental solution, in the view of the Inspector, lies in firm application of the central principle repeatedly stressed in this report, i.e., that as a general rule, regional institutions qualifying for support from the United Nations system must be established and basically sustained by their participating governments, rather than being created by the United Nations system itself and then presented as nominal inter-country co-operation ventures. In this regard, an important distinction should be made between two principal kinds of cost involved in the development and sustenance of regional inter-country institutions.

**Overhead and Institutional Costs.** These include expenditures for management and administration of a long-term continuing nature. Examples are the cost of

26/ The problem was frankly recognized by the UNDP Governing Council in 1977 when "many members warned the Council against the lack of adequate alternative sources of support for regional institutes, which often meant that UNDP became locked into supporting these institutes for an indefinite period or risked seeing them cease their operations" (Report of the Governing Council, 23rd session, page 40).
the governing body, core-staff costs, buildings, office supplies and equipment, utilities, vehicles, etc. In country projects assisted by the United Nations system such costs are normally paid entirely by the individual governments concerned. The same policy should apply to inter-country institutions with the costs paid by all participating countries in accordance with an agreed cost-sharing formula. Thus it would be clear that the institutions which belong to a group of participating countries have an assured source for their continuing financial needs. Naturally any one-time contributions that bilateral or other aid programmes could make to such items and buildings or equipment could be accepted. However, it would be preferable for any outside contributions made over a period of years to be devoted to programme activities such as training.

138. Programme Costs. Programme costs are directly related to the approved programme and in proportion to its size. They could be expanded or reduced each year in accordance with the requirements of the programme and the availability of funds. Programme costs would be used for such purpose as visiting specialists on lectures, training, fellowships, demonstration or experimental equipment, publishing, etc. There would be little point in incurring institutional costs if funds for programme costs were inadequate to permit the institution to carry out a useful work programme. Therefore it is important that each institution seek assured sources for financing its programme costs. The main source may well be contributions from the participating governments but other sources will often be available. Among these of course is assistance from the United Nations system. Such assistance could be most effective and most likely to be approved if it was directly related to the accomplishment of time-limited objectives in the institutes programme.

139. The Inspector recognizes that there may be special circumstances in which a contribution from United Nations system resources to meet costs which are essentially institutional in nature may be genuinely necessary in order to enable an otherwise viable regional institution to gather initial momentum. Funds might be needed, for example, to obtain assistance in planning the programme of the institution, or to draw up and negotiate a legal instrument or charter to serve as the juridical basis of the institution, for similar critical purposes. United Nations system assistance for such purposes should therefore be considered on a case-by-case basis, if requested.

140. In such instances, however, the conditions of assistance should be set forth with great care, so as to avoid the risk of continuous United Nations system involvement in institutional financing. Some exceptions may also be justified in the case of least-developed or otherwise seriously disadvantaged countries participating in regional institutions: their contributions to the institutions' operating budgets might be subsidized by the United Nations system, if demonstrably necessary, but again only on carefully-defined conditions and on a time-limited basis.

141. The need for scrupulous attention to the question of financing regional inter-country institutions, and for great care in determining and defining the budgetary commitments of the participants both on the governments' side and on that of the United Nations system, is of paramount importance to the long-term viability of such institutions. The experience of the United Nations system has plainly demonstrated that in this area, as in many fields of human endeavour, the best evidence of interest and commitment to a particular undertaking is demonstrated willingness to share equitably in its costs.
United Nations system technical support through interaction

142. Technical training and the exchange of knowledge and experiences are recognized as primary requirements for sound development. Regional inter-country institutions, which function as key instruments in these areas, are entitled to receive technical support through all available means at the disposal of the United Nations development system. When requested by governments, this support should be based as far as possible on an integrated approach, taking full account of the totality of the United Nations system's resources in the substantive field concerned.

143. Technical departments of specialized agencies, United Nations global centres, the regional commissions, and other United Nations bodies can all enter productively into this process providing substantive inputs, facilitating inter-institutional co-operation, and helping to maintain co-operation. Aside from the benefits it can provide to the regional institutions, this interaction and co-ordination is highly relevant to more effective programming of the entire technical co-operation effort of the United Nations system, in terms of avoiding unnecessary duplication and proliferation of projects and building up a cost-effective co-ordinated approach, taking maximum possible advantage of the available capacity within the United Nations system and in the developing world.

144. Support provided by the technical units of the United Nations organizations and by the global research and training centres of the United Nations system would be particularly opportune in regard to the evolution, at the level of the regional institutions, of internationally-tested innovative approaches to the solution of critical development problems, and to the regional adaptation of global policies and strategies of the system. In this connection it should be borne in mind that regional inter-country institutions are mainly concerned with the provision of practical training based on applied research; thus they are generally not in a position to commit resources to fundamental or theoretical research activities, and therefore need to receive such information from other sources.

145. The necessary global and regional linkages required for the above-mentioned purposes can be organized through the existing infrastructure of the United Nations system. At the regional level, the regional offices of the Specialized Agencies and their representatives, the UNDP Resident Representatives' offices, and the Regional Commissions all have important roles to play.

146. The regional commissions are in an especially privileged position to stimulate consultative interaction (including the promotion of TCDC), and they can in many ways fruitfully increase their support for regional inter-country institutions without encroaching on the autonomy of the institutions.

147. ACC can also provide important help by keeping under review and encouraging all inter-agency efforts aimed at strengthening co-ordinating action of this nature.

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UNITAR's annual meeting of directors of United Nations-assisted training and research institutions is a commendable step in this direction, although from a substantive point of view still insufficient in terms of co-operation and joint programming (JIU/REP/79/18, paras. 65-71).

UNESCO's Medium-term Plan (1977-82) includes a fairly comprehensive set of activities aimed at promoting interchange of information and co-operation in the field of education, training, science and technology at regional and inter-regional levels.
4. Establishing Regional Inter-country Technical Co-operation Institutions

Basic considerations

148. International technical co-operation, through regional inter-country institutions assisted by the United Nations system, must be arranged so as to produce satisfactory results at the lowest possible costs. There are no universal solutions or precise formulae which can be recommended for this purpose; in discussing basic requirements for the successful organization and management of such institutions, the following section of the report will therefore try to avoid any suggestions of an ideal profile.

149. This approach is all the more necessary in view of the fact that the substantive concerns and geographical coverage of such institutions --not to mention the socio-economic and cultural environments in which they exist-- vary so widely as to render most generalizations almost valueless. Nevertheless, accumulated experience, inside and outside the United Nations system, indicates that there are a few critical conditions of success which are generally applicable.

150. These conditions briefly concern the genesis and constitution of the institutions as inter-country initiatives and responsibilities; the relevance of their objectives and activities; the adequacy of their legal status and sources of financing; the nature of their management; the quality of their staffing, and their effectiveness as instruments of TCDC.

Scope and objectives. Dimension, acceptance and impact

151. From a substantive viewpoint, a regional institution may be concerned with any developmental sector or subject to which participating countries assign high priority. The range of possible technical co-operation from United Nations organizations is as wide as the fields of work of the United Nations system. So far as financial assistance is concerned, the regional programme priorities of the funding of the United Nations system may, of course, impose limitations on the scope of assistance.

152. An important distinction should be made here, however, between the scope of a regional institution and that of the assistance provided to it. Regional institutions have --or should have-- their own independently-established range of interests, and these can go well beyond the scope of regional programme priorities in the United Nations organizations. Regional institutions need not conform exactly to the latter priorities in order to qualify for support, especially as any assistance provided will become simply an integral aspect of their own programmes.

153. In terms of geographical or physical coverage, considerable differences can also be envisaged, in accordance with special regional, sub-regional or typological requirements, such as those of the Caribbean, South Pacific, English-speaking and Francophone African countries, the least-developed and land-locked countries, groups of countries participating in integration schemes, etc. In this connection, the Inspector feels that the virtues of various kinds of sub-regional approaches deserve closer attention in future, since needs experienced at these levels do not seem to be adequately met at the present time. On the contrary, the support given by United Nations organizations to regional inter-country institutions appears to be unduly concentrated on highly-generalized and relatively academic types of activity.
Sub-regional approaches, where feasible, have the advantage of providing sharper focus, in terms of shared practical interests among participating countries, and more opportunity for focus and concentration in the programmes of the inter-country institutions concerned.

Questions of institutional dimensions and magnitude are of fundamental importance, and are in part concerned with the problem of whether a particular institution adopts a univocal (single-track) or polyvalent approach. This issue will be addressed later and in more detail in connection with the problem of institutional functions. Suffice is to say here that the JIU’s findings 28/ suggest the desirability of a polyvalent approach in most regional inter-country institutions, given the increasing complexity of the development situation in the world of today and tomorrow, and the contributions that regional institutions can make to resolving complex problems economically.

Such results can be brought about only if the institutions attain a high degree of acceptance and a solid developmental impact in the participating countries, and these objectives can only be realized if institutions possess a weight, quality, and range of resources commensurate with the tasks they are called upon to perform.

In this particular connection, the Inspector has gained the impression that under prevailing circumstances the building-up of such a “critical mass” of resources, in order to achieve adequate impact on major developmental problems, is being hampered by a certain amount of duplication among regional institutions, which sometimes have different titles but cover much the same programme content. This has the effect of creating unnecessary competition for scarce financial and professional resources, and it is not only wasteful, but it distracts seriously from what otherwise could be accomplished through judicious concentration of resources 29/.

To the Inspector it seems certainly better to have a limited number of well-endowed and well-defined regional institutions, exerting real weight in their designated fields of concern, than a profusion of small ones, inadequately provided with funds and staff, competing with one another, and unable to play their necessary leadership roles.

Nature of the institution. The legal framework

In the context of United Nations system technical co-operation, five main types of regional institutions can be distinguished:

1. A national institution providing multi-national services on the basis of an agreement or agreements between the governments concerned, and for which United Nations system support is requested within the context of a regional programme;

28/ Cf. Chapter 2 above.

29/ A good example of a new UNDP policy in this direction is given by the recent consolidation/integration of four Asia-Pacific regional institutes made with agreement among the participating governments.
(ii) a regional institution established by an agreement between
a United Nations organization and a number of governments,
with financial support provided by the United Nations
organizations from funds-in-trust;

(iii) a regional institution established independently by a number
of governments, which then submit a request to a United
Nations organization for its assistance;

(iv) a consortium of national institutions established as a
regional network recognized by the participating governments
which then seek assistance from the United Nations system;

(v) a combination of some or all of the foregoing categories on
the basis of twinning, multiple twinning or co-operation
agreements, and also resulting in a request for support
from the United Nations system.

160. Each of these types may be further sub-divided in terms of programme
content, working relationships, levels of specialization, geographical scope.

etc., whereas, the types mentioned in (i) to (v) above are sufficient to provide
a framework for a number of decisions on the provision of financial support
from the relevant United Nations organizations. Occasionally the type of institution outlined
in (v), re., be considered as an annex of the relevant United Nations organization.

159. The main sources of assistance provided to types (i)
and (ii) are the agreements in context of TCDC, the others being rare and
accessorial in nature.

161. A regional, international institution for which the United Nations system
assistance is given is one that is legally established by means of a formal
instrument of agreement signed or otherwise formally adhered to, by the
governments of the countries agreeing to participate in the activities of the
institution. Such agreements should establish the legal existence of the
institution within the jurisdiction of the participating countries for its
management and for its activities

152. The main considerations in defining the legal status of the institution
involve provisions for management and funding by the participating
governments. Additional factors to be taken into account will vary from one
institution to another, e.g., objectives, location of headquarters, structure
of governing body, etc. But the basic legal conditions should in every case
define the institution as an inter-governmentally owned, managed, and funded
body, i.e., on legal status. These and any other stipulations should
be clearly stated in the legal instrument establishing the institution.

16- An occasional number of regional institutions supported by the United
Nations system are "ase created without the kind of inter-
governmental agreements just referred to; instead, they have been
called into existence solely or largely on the basis of an assistance agreement
with the United Nations organization or organizations concerned. As explained
further in the present study, this has often entailed very serious problems
concerning the control and viability of the institutions.
165. The undesirability of such a situation is increasingly recognized by the United Nations organizations, including the UNDP, the main source of funding technical co-operation with regional institutions, and in a number of instances efforts are being made to correct the difficulties by encouraging participating governments to enter ex post facto into the necessary legal agreements. Related though they are, these efforts are appropriate, and the Inspector recommends that they be expedited and expanded to cover all regional institutions for which the necessary support can be provided by the participating governments.

166. There can be little doubt that the ultimate utility and effectiveness of a regional institution has a very high correlation with the degree of commitment expressed by the governments concerned, and this commitment is most clearly reflected in their willingness to take formal responsibility for its existence.

Autonomy and viability of the institution. Sources of financing

167. An autonomous regional institution has the essential characteristic of being legally constituted and recognized by the participating governments, having its own governing body representing those governments, an executive authority vested with the necessary powers of decision-making and general management, and a regular, adequate source of income from the participating governments.

168. These conditions of long-term viability are indispensable under all circumstances, and particularly so when assistance from the United Nations system is concerned, since they serve to establish the proper relationship between the institution, as an inter-governmental undertaking and responsibility, and the assisting organization whose responsibilities are temporary and subordinate. To phrase the point more exactly in the parlance of the United Nations system, they serve also to define the institution as a project in its own right, in relation to which any activities of the United Nations system —no matter how critically needed they may be—are purely accessory.

169. This point is so fundamental as to deserve some further elaboration, since (as noted by the JIU in another context) United Nations organizations have in the past tended to use the term "project" primarily with reference to assistance activities per se rather than in the basic sense of the governmental activities for which the assistance is provided. Such ambiguity has contributed to many complications and difficulties in the identification, formulation and implementation of projects supported by the United Nations system, since it leaves in confusion the vital question as to precisely where the responsibility lies for the control and direction of the project. Indeed it has not infrequently led the United Nations organizations concerned to conclude that this responsibility rested with them, rather than with the governments being assisted.

170. Misunderstandings on this account have been so numerous and widespread that the current UNDP Policies and Procedures Manual lays particular emphasis on defining the correct relationship, pointing out that a project should be understood as:

30/ The concept of financial autonomy refers here to the legal existence of the institution as a government undertaking, and has nothing to do with ethical notions which could be worked out in regard to the purposes of outside sources of financial assistance.

31/ JIU/REP/78/3.
essentially an undertaking of the Government which while retaining the basic responsibility for it, seeks assistance from the United Nations System in formulating and implementing it. 32/.

171. The UNDP position just cited relates specifically to country projects, but in the opinion of the Inspector it applies equally to regional projects, including inter-country institutions. In this connection it should be observed that the UNDP properly expects and stipulates that host governments individually concerned will take full responsibility for the permanent operational costs (including particularly the provision and payment of all the government personnel involved) of country projects assisted by the UNDP.

172. The fuller implications of this, in terms of regional inter-country institutions assisted by the UNDP or other United Nations organizations, have been discussed in paras. 134 and 135, and will be further examined below. The Inspector notes with satisfaction that the UNDP is progressively attempting to subject its assistance for regional inter-country to the same criteria.

173. Provided that a regional institution is legally constituted, as outlined above, the provision of assistance by a United Nations organization, at the request of the participating governments, cannot alter its autonomous status. The institution's character is that of an inter-governmental entity, for which its participating countries are fully responsible, and the United Nations organization cannot be more than a temporary, invited participant in the activities of the institution, even though -- at the request of the governments concerned -- it may be called upon to assist with any or all aspects of those activities, including management, implementation, monitoring and evaluation, and may even be invited to be represented ex officio at the level of the institution's governing body.

174. The question of autonomy has a critical bearing on the financial viability of regional inter-country institutions. This matter requires special attention in view of the marked tendency displayed by many such institutions, established without adequate legal frameworks and hence without the essential ingredients of autonomy, to become permanently dependent on the United Nations system for their continued existence. To avoid such situations, the legal instrument establishing a regional institution as an inter-governmental entity should make express provision for its regular budget, based on an agreed schedule of payments by the participating countries.

175. The distribution or composition of the regular budget may vary widely according to the scope and functions of the institution in question, but in principle the following items should be included: (i) payment of all permanent professional staff including the director, specialized professional personnel in charge of the permanent or regular substantive activities, and an administrative officer or officers; (ii) secretarial, clerical and maintenance personnel; (iii) physical infrastructure and basic equipment such as furniture; (iv) ordinary communication costs; (v) maintenance costs.

176. As indicated previously, this apportionment of responsibility for the basic financial support of regional institutions assisted by the United Nations system is fully consistent with UNDP's official position vis-à-vis country projects and its informal efforts to regularize the financing of regional institutions on the same lines. For this purpose, the UNDP makes a distinction between what it calls "institutional support" (or alternatively "core budgets")
--this being viewed as the sole responsibility of the governments participating in the institutions-- and "programme support", i.e. the UNDP's contributions to the institutions for purposes of substantive technical cooperation.

177. As understood by the Inspector, such programme support contributions may be used to finance a very wide variety of external inputs, including short-term consultancies (and long-term experts if needed); scientific or technical equipment; fellowships; training courses, expert working groups, seminars and the like; and costs of international travel, if required, for purposes of fostering contacts between regional institutions and corresponding institutions in the member countries. It is further understood that, within the limits of UNDP resources, and dependent on the needs involved, UNDP contributions for these purposes may be furnished on a substantial scale, either continuously for an agreed limited period, or intermittently. In the Inspectors' view, this represents a logical and constructive approach worthy of general adoption, since it is fully consistent with the principles of autonomy and self-reliance, while at the same time it meets the need to provide regional institutions with adequate resources for technical co-operation 33/.

Management of the institution

178. The present report has repeatedly emphasized, from a variety of perspectives, that the strength and effectiveness of regional inter-country institutions ultimately depends on the degree to which participating governments take responsibility for them and exercise joint authority over them. This principle applies to the original identification of need for these institutions, to their planning and financing, and in fact to every aspect of their development.

179. What is at stake here is not only the critical question of resource mobilization but, no less important, the value of this kind of instrument as vehicle for genuine co-operation, on a self-reliant basis, among the participating countries. The issue of management --in other words, who controls and directs the work of such institution-- is clearly central to these concerns.

180. The study has already stated the principle that, consistent with the need for regional inter-country institutions to possess a personality and life of their own, they should be managed by the participating governments, i.e., through the respective governing bodies of the institutions. That this will be so in the case of regional inter-country institutions not receiving any form of external assistance is, of course, self-evident. It is problematical,

33/ Constructive as it is, UNDP new approach to regional programming still does not entirely solve the question of the actual distribution of the regional IPF's, in terms of projects. One idea that has been raised in this connection is to divide up each regional IPF (or part of it) on a proportional basis among the countries of the region concerned: each government would then allocate it share of the funds to regional projects --regional projects only-- to which it gives highest priority. Where regional institutions are involved, there might be a proviso that countries other than LDC's should supplement allocations from their share of the regional IPF with a contribution, from their own regular resources, to special activities of the selected institutions. However, as suggested in paras. 177. and 172., the regular operating budgets of the institution should be fully funded by contributions from the participating countries, again with the possible exception of LDC's who might use for this purpose part of their share of the regional IPF. The Inspector feels that this idea, or some variation of it, may be worth closer examination by the UNDP.
However, when regional institutions are in receipt of assistance from United Nations organizations since, as already noted, many such institutions have been brought into existence more by those organizations than by the governments of the countries involved, and the consequent blurring of responsibilities has been compounded by earlier tendencies of the United Nations system to confuse the part (i.e., the assistance) with the whole (i.e., the government projects on which assistance is provided).

81. There are numerous examples of so-called regional inter-country institutions which are, in effect, extensions of the United Nations organizations involved and which are both de jure and de facto under the management of these organizations which appoint and pay their directors. This kind of situation, in the Inspector’s view, is deplorable even though it may well have come about in the beginning through the best of intentions. Correction of the problem requires that regional inter-country institutions be headed by directors appointed and paid by the participating countries: these directors should not have the status of United Nations officials or “project managers” of the United Nations organizations concerned.

82. The Inspector believes that when regional inter-country institutions are established on a proper legal basis, with adequate inter-governmental provisions for their continuing budgets, the application of this principle will be perfectly simple in terms of paying the salaries of the directors, as well as deciding on their appointment.

83. The widespread practice of appointing and paying the directors of regional institutions as United Nations officials has in general been a sure indication of the inadequacy of inter-governmental participation in the management and financing of the institutions. There may nevertheless be exceptional cases in which suitably trained and experienced directors are temporarily unavailable or in which the participating governments prefer, for special reasons, to have the director of a particular regional inter-country institution supplied by a United Nations organization. It is recommended that in such instances, the directors be provided as OPAS-type personnel. It must be again emphasized, however, that such arrangements should be made only as rare exceptions and on a strictly temporary basis.

84. Under the conventional policies and practices of the United Nations system, “project management” and “project execution” (the latter meaning in its narrow sense, action required for the delivery of assistance inputs) have been interpreted as being practically synonymous, and the term “executing agency”, as traditionally applied to the United Nations organization responsible for recruiting experts, procuring equipment, etc., has acquired a connotation of control and direction entirely out of keeping with the principle that projects are essentially undertakings of governments (Cf. paragraphs 169/170 above).

85. The term executing agency is now, fortunately, falling into disuse 35/. It will be recalled that UNDP’s 1975 “New Dimensions” policy introduced the

34/ One of the commonest formulations of the status of such institutions describes them as being “under the aegis” of this or that United Nations organization.

35/ The term “co-operating agency” is now used to refer to the United Nations organization responsible for providing substantive technical inputs for UNDP-assisted projects. The government bodies responsible for these projects are designated as “Government Implementing Agencies”. The change in terminology is both significant and commendable, since its import is far more than semantic.
option of "government execution", whereby the governments responsible for UNDP-assisted country projects might also assume responsibility for the external delivery functions normally performed by the United Nations technical organizations. As conceived by the UNDP, however, this was to be done on a conditional basis, and "by delegation from the UNDP".

186. In examining this question the JIU, in its 1978 Report on the Role of Experts in Development Co-operation, proposed a different approach recognizing that government management of projects should automatically include the right of governments to procure UNDP-financed inputs for themselves, if they so desired (having regard for the fact that management implies unified authority over a related set of activities). Under this approach, "government execution" would be an option which governments could, if they wished, either exercise directly or entrust to an appropriate United Nations organization.

187. At the time of making this proposal, the JIU had country projects chiefly in mind; however, the logic is equally relevant to regional projects --especially to regional inter-country institutions-- and it is recommended that the same option be offered at that level as well. It is worthwhile noting here that this recommendation is made on grounds of principle and consistency. In practice, however, it would appear that "government execution" has not been widely employed, since the administrative convenience of conventional execution by United Nations organizations is generally accepted so long as government management rights are respected 36/.

Main functions of the institution. Working relationships

188. The true regional inter-country institution should be an organization purposefully created and managed by a number of countries within a given region or sub-region, in order to provide shared services of high quality in meeting common, critical problems of development. It should thus act as a means of promoting self-reliance in development, at the regional level, and --consistent with this purpose-- itself operated on a self-reliant basis.

189. This type of institution is favoured in principle by three important factors of which it should take maximum advantage: the compatibility of interest of the participating countries; economy of scale in its activities; and the multiplier effect of its outputs. It should be strongly oriented towards producing a concrete and practical impact, as quickly as practicable, in high priority areas where the resources of national institutions are incomplete or inadequate, and should exercise recognized leadership in its technical field of activity, offer widely accepted services and attract strong support from all participating governments.

190. Specifically, regional institutions should function as centres of excellence, capable of mobilizing a powerful intellectual thrust to generate developmental changes desired by the participating countries. In consequence 36/ Even in the proportionately few cases of "government execution" that seem likely to arise, the JIU nevertheless strongly urges that the relevant United Nations organizations be fully involved in all other aspects of project development, at country as well as regional levels, and moreover paid for their involvement. This is most important in order to take advantage of the United Nations organizations unique fund of technical knowledge and experience and to enable them to enlarge that knowledge and experience.
they should produce services of the highest possible quality; promote and facilitate the integration and co-ordination of activities in their respective substantive fields; supplement, support and catalyze the activities of relevant national institutions; and spread their benefits as widely as possible through decentralized activities.

191. Regional institutions should not, on the other hand, be established as "ivory towers" --academic strongholds isolated from development realities--; nor should they be created as minor, second class entities, dealing with problems piecemeal and at a low level of activity.

192. As focal points concerning a particular technique or body of knowledge, the work programmes of a regional institution should cover all tasks and activities needed to enable it to become a leader in its field. In general, this role will require the organization and execution of a rather complex intellectual effort, combining all the resources available, so that the institution can introduce innovative ideas and open up new frontiers in its field.

193. To be cost-effective in this respect, the institution should approach its intellectual endeavours on a wide front, avoiding the more simple tasks which can be carried out more cheaply and effectively at the level of the participating countries. To play a key role, and discharge its responsibilities as a centre of excellence, the regional institution must organize its activities so as to take maximum advantage of its unique position to stimulate change using all available channels of communication and influence, e.g., through higher level training, technical papers, information and advisory services.

194. A common denominator of most regional inter-country institutions is training, which is often the most important feature of their work programmes. "Training," however, is a very generic term, and it needs to be emphasized that regional institutions --in pursuit of the allied goals of excellence and maximum cost effectiveness-- should be mainly concerned with what may be termed indirect training, i.e., the training of trainers, the development of training methods, materials and curricula, as well as the research that has to go into the preparation and achievement of this function. Regional institutions should not normally be involved in the provision of direct, middle or lower-level training, although they may exceptionally provide temporary services of this nature, as a special adjunct of their main programme, to meet the need of particularly disadvantaged countries such as the least-developed. Moreover, with the exception of courses which can be effectively provided only on a central basis or requiring the use of costly equipment, training should be in principle thoroughly decentralized and carried out through co-operation with national institutions.

37/ Quality, in this context, does not always mean scientific sophistication (although in many circumstances that may be called for). For example, a training service could be of high quality even though it may deal with relatively simple issues. What is important is the usefulness of the output.

38/ Another exception in special cases would be that of institutions intended to train public administration officials, policy makers and social leaders to promote, through a Staff College approach, comprehensive professional visions of development policies and strategies within the region. To be effective, these courses should be residential, short and very intensive.
195. Most of the training at the institutions' headquarters would be to prepare or upgrade trainers and specialized instructors, in very short and intensive courses, when the cost can be justified by the level of training provided and its expected multiplier effect for the region.

196. Few regional institutions are primarily established as research and development bodies; their main functions lie rather in the dissemination of applied knowledge, the exchange of experience and the promotion of skills. Nevertheless, the institutions should whenever necessary include a practical research component in their work programmes, in order to provide backstopping for their training and consultative functions and to lend substance to their leadership role. The production and distribution of technical papers on practical development issues as well as the maintenance of permanent, up-to-date information of technical value, would be an important output in this regard.

197. In this connection it is of interest to note that there is, in fact, an evident tendency in many regional institutions towards polyvalence—diversification into related research activities, advisory services, dissemination of information, etc. This reflects efforts by the institutions to maximize the effective use of their resources, to offer a broader range of services, and to increase both their impact and support in participating countries.

198. The polyvalent approach is also proving useful in building up "critical mass" in the institutions' programmes (a need referred to previously), thus helping them to concentrate on given issues. Although the provision of polyvalent services on an interdisciplinary basis presents certain problems of balance—training, for example, should usually be done in a decentralized way, whereas research is best performed through a concentrated effort—the approach itself stands on sound principles and deserves the most serious consideration in the establishment of new regional institutions as well as the strengthening of those already in existence.

199. Transfer and exchange of knowledge, as well as the sharing and pooling of information, experiences and skills, are basic for the success of regional institutions. One of their main functions, accordingly, should be to organize and maintain close working relationships with other institutions—both national and international—working in related fields, and so mobilize the maximum possible effort for the solution of development problems. The assistance of the United Nations system, with its wide technical and professional contacts and linkages developed over many years throughout the world, can clearly play a very important part in helping the development of these co-operative functions.

The institution as focal point of a regional network

200. In conventional usage, the concept of a regional inter-country institution carries the connotation of a centralized physical facility, serving a defined region or sub-region but located in a single country. In practice there can be and are many variations of this approach, but it is evident that a rather large proportion of regional institutions supported by the United Nations system have been established along such basically monolithic lines. Under certain limited conditions, a centralized structure may be the most appropriate, but the Inspector feels that it should be the exception rather than the rule: the importance of decentralizing the activities of regional institutions, to the maximum feasible extent, has been previously emphasized in this study (paras. 190/195 above).
201. Among the various alternatives to a purely centralized monolithic structure, perhaps those that are the most important and promising are typified within the network strategy. Under this method of operation a number of national institutions with common substantive interests are identified and linked in a web of mutual technical co-operation, with liaison facilities provided by a small co-ordinating centre which may be set up within one of the co-operating institutions or as a discrete entity 39/. The approach seems particularly well-suited to the promotion of TCDC, and the Inspector has observed that the number of such arrangements is not only growing but is attracting increasing attention and support from developing countries and United Nations organizations alike.

202. This trend is noted in the previously-cited UNDP report which states, by way of illustration, that: "... the WHO, for example, has adopted the network approach in the field of training community-oriented health personnel...". In this connection, taking also into consideration positive experiences of UNESCO, UNESCO and others, ... a review of the potential for promoting this form of co-operative arrangements bilaterally or among groups of countries should be undertaken by the United Nations agencies and plans of action should be agreed upon in relevant fields 40/. The Inspector fully endorses this recommendation which, if acted upon promptly and energetically, could give major impetus to the promotion of TCDC through regional inter-country institutions.

203. The assistance of the United Nations system could be particularly effective in stimulating network relationships as an essential and permanent part of the programme and modus operandi of inter-country institutions, and a practical means to increase the value of their functions.

204. Lessons drawn from previous experience show that the United Nations system should avoid supporting the establishment of regional institutions which are likely to become remote sources of knowledge, disconnected from practical realities or operating in closed circuits with very little outside impact. On the contrary, it should co-operate with the participating governments to plan and set up the activities of these centres in order to enable them to spread their potential benefits to the whole region, extending their intellectual influence as a common resource to consolidate through complementation and integration the mutual interest of all concerned.

205. The best way for an inter-country technical co-operation institution to exercise this much needed role of catalytic hub and co-ordinator, would be to devote a substantial part of its resources to establishing or strengthening net-working and twinning arrangements with and among other institutions in the same field, thus facilitating reciprocal flows of co-operation within the regions and inter-regionally.

206. Providing leadership for inter-action through linkage mechanisms for aggregating the resources of the associated local institutions into a whole collective effort designed to increase the impact of inter-country co-operation is by definition an essential component of the programme of activities of a

39/ In some circumstances, a UNDP or a Specialized Agency field office, suitably equipped for the purpose, might assist in establishing the needed co-ordination and administrative facilities.

regional centre. It has already proved greatly beneficial and is totally relevant within the context of TCDC, where the concepts of "donor" and "recipient" are replaced by the more realistic and effective objectives of concerted action, complementarity and mutual help.

207. Network arrangements, properly organized and managed, could in fact not only contribute to integrative efforts to accelerate the process of self-reliant development, but they are also flexible modes of operation in an international context and provide practical methods to orient the work programmes of the associated institutions, and their resources, to actual priority problems. Because of their flexibility they are highly suitable for attenuating problems caused by the heterogeneity of a large geographical area and responding to the changing requirements of the participating countries.

208. Flexibility should also apply to the type of activity, which could be of single or of multi-disciplinary purpose, and to its duration, which could be indefinite or time-limited; but these arrangements are in any case in need of an effective linking factor, adequate for promoting and combining the potential of the chain of components, to sum up and produce overall useful results.

209. The provision of this consolidating force and all-embracing guidance to maintain and lead the inter-action of the co-operating parties towards useful working relationships, appears already as a most valuable purpose in the programming of inter-country regional centres, and as such a function of fundamental importance to ensure their effectiveness.

210. A technical co-operation institution established to serve a number of countries could not be cost-effective if working in isolation; its best chances of success are given when it is integrated in the activity of the region through communicating links of working relationships with similar institutions at the national level, minimizing the ill effects of scatterization, enhancing the quality of the outputs, and making sure that the regional co-operation efforts are properly geared to attend to the needs of the participating countries.

211. The cost effectiveness of inter-country co-operation under network arrangements would undoubtedly be greater than if an institution is highly centralized and isolated. Networks make it possible to use existing facilities rather than creating new mechanisms. They help to avoid duplication in research, advisory services or training and could facilitate the pooling and co-ordinating of resources for mutual benefit. Networks can make possible economies of scale by permitting associate institutions to each concentrate on certain aspects of the programme thus also enhancing quality and avoiding undue dispersal of effects.

212. Also important is the fact that under a network arrangement there would be incentives and guidance for strengthening and encouraging co-operation at a regional level, enhancing the capability of the associated local institutions, the importance of which has again been stressed in a recent High Level Meeting on the Review of TCDC (May-June 1980).

213. In a network of training and/or research institutions the most important component is provided by the leading and co-ordinating centre, which could be properly called the focal point. The number of associated local institutions as well as the value of their individual contributions are also of great consequence, but the quality of the impelling nodal force to produce the motivation, intellectual incentives and necessary guidance, is the essential factor for the success and even the existence of such an arrangement.
214. Organizations of the United Nations system can certainly provide by themselves the necessary focal points to stimulate organized activity of this kind; and, as noted, they may also supply the secretarial facilities needed for the systematic functioning of a network. Their contribution in this respect could be of great value, as demonstrated in certain cases. However, in the Inspector's view, this role should be suppletory or merely promotional, in the absence of an adequate inter-country institution operating in the field, or indirect if such government institution is already fulfilling the focal point function. Only if the leading role is played by a focal point managed by the participating countries will there be an effective contribution to self-reliant development and could the undertaking qualify as TCDC.

215. It should also be noted that the network approach has important implications for the financing of United Nations system support for regional institutions. Under the monolithic approach, the bulk of resources supplied by the United Nations system flows into the central institution itself, whereas under the network approach—in which the central institution is serving as a focal point with the participating national institutions doing most of the substantive work—it is logical that a substantial proportion of the project resources contributed by the United Nations system should be directed to the constituent national units.

216. The Inspector understands that the UNDP has hitherto maintained an informal policy that regional IPF resources may not be used under such circumstances to assist national institutions, but that national IPF funds should be used instead. It is strongly recommended, however, that this policy be changed to accommodate the realities of the network approach and to facilitate its use as a positive TCDC instrument. Provided that the institutions in question are linked in active and substantial co-operative activities, use of a proportion of regional IPF resources for the participating national institutions is fully justified, particularly, although by no means exclusively, where least developed or otherwise seriously disadvantaged countries are concerned.

Staffing the institution

217. In looking at this question, the principal factor to be borne in mind is that a regional inter-country institution must be a centre of excellence: it must produce first-class practical results with solid, widespread impact on critical development problems in the countries it serves, and thereby establish strong credibility and a respected reputation. It does not necessarily have to be large in terms of the numbers of its permanent technical staff, but it is essential that these personnel be of high professional calibre and commitment and that they be recognized as such in the participating countries. This applies particularly to the director, who should be not only an acknowledged authority in his field of expertise, but also a person of proven leadership qualities: moreover, he or she should have a broad grasp of the total socio-economic context in which the activities of the institution are to take place, in recognition of the unified nature of the real development process. Narrowly-based specialists with tunnel vision, no matter how advanced their technical qualifications, are not the best choices for purposes of staffing regional institutions, and least of all for the directorships.

218. Beyond this, the permanent professional staff of the institutions should be kept to the minimum consistent with efficiency of operation, having regard
217. To facilitate this, the work programme of the institutions should clearly distinguish between tasks which are continuing in character and those which are of a temporary or intermittent nature. To deal with the latter, temporary assistance can be recruited or seconded, either from cooperating national institutions or through the use of multilateral/bilateral technical co-operation programmes, including those of the United Nations system.

220. Technical expertise obtained from the United Nations system should, in accordance with the arguments of this study, be normally utilized only on a temporary basis, either to strengthen the capabilities of the permanent staff of the regional institution concerned, or to assist in carrying out time-limited programme activities, such as specific training courses, the preparation of technical papers and documentation on topics identified in the institution's programme. The selection of such personnel—preferably drawn from the same region—should be mainly based on their capacity to transfer their knowledge and skills to the permanent staff of the institution 42/.

222. The international personnel supplied through assistance from United Nations organizations should always be treated as a strictly temporary resource, not permanently supplanting staff required for the permanent operation of the institution. Finally—a most important consideration—any staff assistance provided by a United Nations organization should work under the sole direction of the director of the institution in question.

The TDCC Framework

223. The projects of assistance should then be formulated with the objectives of TDCC in mind. In the report of the Administrator to UNDP Governing Council 26th session, it was made clear that "in the formulation of every project... account should be taken and indication explicitly rendered of the extent to which it responds to and will help implement" those objectives and criteria 43/.

224. TDCC appears to provide the most suitable formula and in most cases the only acceptably policy framework for the organization, management and funding of the work programme of the institutions. In order to make optimal use of resources, a substantial part of the initial allocation of assistance from the United Nations system should, if necessary, be used to provide national staff with opportunities for training. This will help to economize on the use of international experts and consultants in the ensuing phases of the institutions' activities.

42/ In order to make optimal use of resources, a substantial part of the initial allocation of assistance from the United Nations system should, if necessary, be used to provide national staff with opportunities for training. This will help to economize on the use of international experts and consultants in the ensuing phases of the institutions' activities.

43/ Doc. DP/393.
of regional institutions. The policy outlined in the Buenos Aires Plan of Action provides the basic guidelines for the United Nations development system to promote and support technical co-operation activities among the developing countries, including in this context assisting in the establishment and operation of national research and training centres of multinational scope.

225. Primary responsibility for the promotion, establishment and funding of TCDC projects rests with the participating countries themselves. Notwithstanding the governmental character of TCDC activities, the United Nations development system can play an important subsidiary role, including the provision of catalytic resources, in promoting its effective realization. Indeed, the System is specifically required to do so, having been enjoined by the Buenos Aires Plan of Action to take all necessary measures to this end, including re-orientation of its internal policies and procedures.

226. UNDP has been assigned the central promotional and co-ordinating role for TCDC matters, although as stated in recommendation 38 of this Plan of Action, all organizations of the United Nations system should allocate an increasing proportion of their resources for TCDC activities and projects.

227. UNDP has fully recognized the TCDC potential of inter-country technical co-operation activities and the basic responsibilities of the United Nations organizations. During the Third Development Decade inter-country technical co-operation should be extended into new substantive fields and using new approaches for the planned utilization of the steadily increasing human and technical capacities of developing countries; there is a wide scope for this type of action, not "necessary", involving financing by the United Nations system in requiring initiatives and organization on the part of the agencies.

228. The same statement applies at "... the necessary policies and permanent mechanisms must be developed or strengthened in order to make TCDC an integral part of the activities of inter-governmental organizations and institutions set up to developing countries to pursue common objectives... The United Nations system should expand the promotion of lasting cooperative arrangements of a formal type between developing countries by linking co-operative arrangements of existing institutions and programmes that have proved their viability and are willing to commit themselves to serve as partners in an agreed "official" cooperation programme...". These words plainly have special relevance to the development of regional intercountry institutions as discussed in the present study.

44/ "The entire United Nations system should play a prominent role in enhancing the ability of developing countries to help themselves through TCDC operations. United Nations system resources should be increasingly used to facilitate TCDC arrangements and operations (Recommendations 22/23 and 32 of Buenos Aires Plan of Action). About the subsidiary supporting role of United Nations organizations see also the decisions of the High Level Meeting on the Review of TCDC (May-June, 1980).

45/ "Regional "PPs (bases percentages of national IPFs the countries may be willing to earmark for this purpose) should be used to the maximum extent on the basis of regional priorities, for financing TCDC projects and activities. The United Nations development system should explore additional sources of finance..." (ibidem).

The following principal characteristics of TCDC have been also considered:

1. Characteristic of TCDC has been identified or appraising activities of the United Nations Development System in this field [48]. They are to be included in the UNDP Policies and Procedures manual as basic elements of TCDC. (a) TCDC can operate in new sectors and in forms of technical cooperation activities of several countries. It can be bilateral or multilateral in scope and sub-regional or inter-regional in character. It should use innovative approaches and techniques entirely adapted to local needs employing availing maximum efforts of technical co-operation to the extent that they are considered useful; (2) TCDC activities or projects involve a continuous and voluntary sharing both or exchange of technical resources, including, experience, skills and capabilities between two or more developing countries for the individual or mutual benefit and in order to achieve regional and international self-reliance in project inputs for a TCDC activity or project, such as expertise, personnel, services, research and training activities, equipment and supplies are to be provided to the largest extent possible by the participating countries themselves.

2. The methods of utilizing United Nations system technical co-operation resources for the support of regional inter-country institutions are of course crucial and central functionally on establishment of a correct relationship between such inter-country institutions on the one hand and the co-operating United Nations organization on the other. These relations and activities have not always been appropriate in the past. As also noted in the report of the Administrator to the 27th Governing Council session ..., in some of the agencies the traditional way of promoting TCDC may continue to predominate unless some strategies are made at headquarters as at the regional level to ensure sufficient attention to TCDC action in a wider sense which would help ensure the broadening and strengthening the leadership role of TCDC and in no way detract from their autonomy.

3. This also gives an example to outline methods of assisting regional institutions in specific will meet the critical needs and help such institutions to effectively fulfil their essential functions. Undoubtedly, a method proposed require discussion and refinement in order to translate them into operations. Yet it is urged that the guiding principles as fully and convincingly as possible.

The special case of training institutions

2.1 The success or failure so far seems primarily by the manner of setting up new regional inter-country institutions in a cohesive manner from the United Nations system, and in that context it is necessary the need to establish proper relationships from the outset, between the concerned United

[48] Report of the TCDC Site Unit of UNDP to the High Level Meeting on the Review of TCDC.
Nations organizations and the participating governments respectively, as a central condition of effectiveness. There are, however, many regional institutions which are receiving United Nations system support, but which have begun life without the necessary guarantee of adequate, continuing inter-governmental support, and which therefore have not been able to function with the desired degree of effectiveness — in certain cases, with very little effect at all.

234. Some of these institutions in fact command so little involvement by the putative participating governments that their continued existence would probably depend indefinitely on the provision of resources by United Nations organizations. It would presumably be best if such regional institutions were simply closed down, or fully incorporated, if really needed, into United Nations system structures.

235. There are, however, other instances of regional institutions which have been started on the wrong foot as it were — i.e., with minimal inter-governmental involvement and heavy dependence on the United Nations system for the provision of their operating and administrative costs, as well as their substantive technical co-operation activities — but which have over the years succeeded in building up reasonably effective programmes and attracting sufficient regional interest to merit their continuation as inter-country projects. In these cases, strenuous efforts should be made to restructure the ongoing institutions on the basis of the principles recommended in this study for the establishment of new institutions.

236. From the standpoint of the United Nations organizations involved this means reaching agreement with the concerned governments on the procuring and ratification of appropriate legal frameworks, re-creating the institutions as proper inter-governmental undertakings; establishing suitably inter-governmental management boards; making provisions for adequate, regular contributions to the operating budgets of the institutions by the participating governments; and arranging for the takeover of permanent staff positions, including the directorships, by personnel appointed and paid by the governments.

237. It is recognized that such fundamental changes will not normally be easy to make in regional institutions which have settled into a pattern of substantial dependence on the United Nations system, but they are nevertheless essential in the great majority of cases. Indeed, success or failure in achieving them will constitute an almost certain indication as to whether or not the institutions are worthy of continuation. Where the indications are positive, however — i.e., where there are good reasons to believe that participating governments will ultimately take over responsibility for the institutions — the United Nations organizations concerned should adopt a flexible approach in order to ease the transition from the old status to the new. This would involve some sort of “phasing out” or “tapering off” United Nations system financing of institutional or core budget costs to allow participating governments time to take the necessary provisions on their account.

236. The transition period should nevertheless be limited, on the basis of clear-cut understanding: three to five years, depending on circumstances, will appear to be a reasonable maximum. On the other hand, the progressiveness of the involvement of United Nations system resources in hasty or badly legally established institutions, where the responsibility for their management and results is not clearly asserted, is a risk with consequences which may go beyond the indefinite financial commitments in efforts which could be of no positive consequence to the concerns concerned.
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2/4 The report is aimed at increasing the effect of "regional inter-country technical co-operation" through full government involvement of projects. Regional technical co-operation activities are striking examples of TQDC provided that they are in fact managed by the
participating developing countries. Any dilution of management responsibility which diminishes the responsibilities of the countries involved weakens TCDC and collective self-reliance (paras. 10-11 and 14).

245. United Nations assistance to regional inter-country institutions should be formulated with TCDC in mind, though primary responsibility for the promotion, establishment and funding of TCDC projects rests with the participating countries (paras. 223-230).

The inter-country technical cooperation institution

246. By definition, regional inter-country institutions set up and managed by the participating countries are vehicles of TCDC. TCDC provides the most suitable formula and generally the only acceptable policy framework for the organization, management and funding of regional or sub-regional institutions (paras. 223-224).

247. Inter-country regional institutions can usefully and cost-effectively complement and support the activities of national institutions working in the same field and, hence, foster national and collective self-reliance. They can play a particularly salutary role in translating global and regional priorities into practical strategies and techniques for application at the national level (paras. 22-22 and 26).

248. In order to fulfill their functions properly, they must be established on the basis of a consent, explicit and legally binding agreement among the participating countries, with independent management in full control of the participating countries and objectives of the participating countries. The existence and activities of such a council, institution are the responsibility of the governments concerned (paras. 22, 23 and 92).

249. Previous UN assessments of regional technical cooperation institutions brought to light a number of conclusions that concern principally the nature and extent of their work, constitution; sources of financing; type and scope of United Nations system involvement; acceptance and impact of services; TCDC potential; and network arrangements. Most of the institutions studied were far from self-reliance due to the absence of well defined legal frameworks and the lack of adequate support by the participating countries. United Nations system involvement has varied in nature and intensity though the trend has increasingly been towards a distinction between institutional and programme support. The impact of the institutions' services has been difficult to measure due to the absence of any follow-up system in the majority of the cases studied. However, they were found to have the capacity to become focal points for TCDC activities (paras. 31-59).

250. To qualify for assistance from the United Nations system, regional inter-country institutions should meet the test of self-reliance in two essential respects. (a) Their objectives and work programmes should be systematically based on a unified approach to development and deliberately oriented towards promotion of the new international economic order, and (b) they should be created and managed by the governments concerned, which should provide or obtain adequate resources for their operation (paras. 60-70).

251. Whatever their size or type, they should be legally constituted. This principle has not been followed in all cases, though it has been increasingly
recognised that there is a high correlation between the institution's effectiveness and the degree of tangible commitment shown by the governments concerned. Governments should be encouraged to enter ex post facto into the necessary legal agreements where such do not yet exist (paras. 154-156).

252. Viability of a regional inter-country institution can only be assured by the participating governments. It should have its own governing body, an executive authority vested with the necessary decision-making and management attributes, and a regular and adequate source of income. The core budget should cover the costs of permanent professional staff, including the director; clerical and maintenance staff; physical infrastructure and basic equipment, such as furniture; communication, and maintenance (paras. 119 and 173-180).

253. There still are a large number of so called regional inter-country institutions which are, however, mere extensions of the United Nations organisations involved. The practice of appointing and paying directors of such institutions as officials of the United Nations system is in many cases a sure indication of the inadequacy of inter-governmental participation (paras. 180-181).

254. To fulfill its role as an effective tool for self-reliance, a true regional inter-country institution should be an organisation purposefully created and managed by a number of countries. Identity of interests within the region, or sub-region, economy of scale in activities, and the multiplier effect of outputs should be the motivating forces as a centre of excellence. Such an institution should take full advantage of the unique position to stimulate change by using all available channels of communication. Its services should be of the highest intellectual quality, yet not become an arm's-length detached from the realities of development (paras. 120-121).

255. The choice of staff is crucial. Each institution is to produce first-class results and establish a solid reputation as a centre of excellence. Staff, and particularly the director, should be of the highest professional calibre and have proven leadership qualities and breadth of vision (paras. 117-118).

256. The increasing complexity of development problems and the need to achieve the best possible results, suggest that a polyvalent (multiple track) approach would be preferable. A limited number of well-endowed and well-defined regional institutions would be more desirable than a proliferation of small ones lacking adequate staff and financial resources (paras. 155-156).

257. A common denominator of most regional technical co-operation institutions is training. In pursuing the twin goals of excellence and cost-effectiveness, the institutions would be best to focus on indirect training, ensuring suitable training methods, materials, curricula and material research, leaving middle or lower-level training to local institutions. Exceptions to this rule are sometimes necessary on account of the subject matter, the equipment needed, or local circumstances. Research should be practical, aimed at overlapping the training and advisory functions, and by the same token it should lend substance to the institutions' leadership role. Institutions working in similar fields would gain considerably from closer contacts amongst themselves. The United Nations system should help in fostering such relationships (paras. 134-199).

258. A network structure, linking together a number of national institutions with common interests would appear to offer the most effective way of disseminating the benefits of a regional centre and of promoting TODC. When
properly organized and managed, network arrangements could contribute to
accelerating the process of self-reliant development and also to directing the activities of the associated institutions to priority problems. Networks make it possible to use existing facilities rather than creating new mechanisms, avoid duplication and make economies of scale. The United Nations system should assist regional inter-country institutions to build up their capacity to become the hub and co-ordinators of network and twinning arrangements (paras. 199-201, 204, 206 and 210).

259. Supervision, monitoring, evaluation and follow-up of activities of inter-country institutions are aspects of management and consequently they are primarily a responsibility of the participating governments. This would presuppose a full understanding in advance between the parties concerned (paras. 111-112).

United Nations system regional programming policies

260. Notwithstanding their rapid increase in recent years, the United Nations system's resources for regional technical co-operation are limited. Hence the need for a systematic approach to guide objectively the organizations concerned in the task of helping the countries to help themselves. Such an approach would have to comprise a policy framework and operational procedures (paras. 71-75).

261. United Nations system assistance to regional inter-country arrangements should support rather than supplant the mutual self-help activities of the participating countries and not encroach on their responsibilities for institutional management and administration. Whatever assistance is given by the United Nations system, however, would have to be in accord with the wishes of the countries concerned (para. 26-27).

262. The United Nations system has evolved a set of inter-related basic policies to guide the co-operative efforts of all concerned. Communal to all these policy decisions is the emphasis on the need to promote self-reliance of the developing countries (paras. 60-70).

263. United Nations organizations should work out operational criteria for regional programming and project development. These procedures should be easily understandable by all parties and flexible enough to respond to varying situations yet firm on essential issues, particularly those involving responsibilities and relationships (para. 79).

264. The determination of UNDP's regional programme priorities has been difficult, but the consultative process introduced by UNDP's Governing Council will ensure greater participation by governments in the preparation of inter-country programmes and it constitutes a major advance provided that it is carried out systematically (paras. 82-85).

265. In a situation of competing priorities, preference in assistance should be given to institutions which command the strongest interest and commitment on the part of the participating countries as the best guarantee of effectiveness and self-reliance. Special consideration should be given to the problems of the least developed, most seriously affected, landlocked and developing island countries, and to network arrangements. In cases of special need, regional programme funds might be used to strengthen the national institutions involved (paras. 89-92).
255. Once assistance by a United Nations organization has been approved, the
United Nations system inputs should merge with the contributions of the
participating countries to form an integrated project under the full authority
of the sponsoring governments (para. 96).

256. Requests for assistance should be carefully appraised as to: (a) origin
of the request; (b) basic information about objectives and functions of the
institution, contents of its proposed or existing programmes, nature and
duration of the assistance, financial resources, staffing, contribution of the
host country, and results to be obtained, and (c) long-term viability of the
institution. Careful project planning is a sine qua non of success at the
implementation stage and should not be haphazardly undertaken (paras. 97-100
and 104).

257. Project formulation, which should be carried out at the field level, must
define carefully the commitments of the participating countries and establish
a precise and proper relationship between the institution and the assisting
United Nations organization (paras. 103-104).

258. The programme document (assistance agreement) should indicate how
the broad global and basic policies of the United Nations system are to be applied
and integrated with the preferences expressed by the governments (para. 96).

176. The principles associated in UN's "Report on the Role of Experts in
Development Cooperatives" with reference to government management of technical
cooperation projects apply with equal force to assistance to regional institu-
tions. Regional institutions receiving assistance from the United Nations
system for the first time should be under inter-governmental management from
the outset. Organizations already receiving assistance should set up arrangements
for inter-governmental management at the earliest practicable time, where such
arrangements do not already exist (paras. 107-108 and 171).

177. A large number of regional institutions set up in the past have been
heavily dependent on the United Nations system for resources to cover both
their ongoing operations and their substantive activities. The original
assumption that these contributions would merely represent "seed money" and
that the institutions would eventually become self-sustaining has not been
borne out by experience. This situation is at variance with the purposes of
United Nations system technical co-operation for development and also drains
resources away from support of new regional institutions (paras. 134-136).

178. A regional institution may be concerned with any sector or subject to
which the participating countries assign high priority. Hence, its range of
interests may well reflect the scope of regional programme priorities of the
United Nations organizations. This, however, should not preclude assistance
from the United Nations system. Such assistance would merely become an integral
aspect of the United Nations programme. Geographical coverage of the institu-
tion may also vary substantially. It would appear, however, that a sub-
regional emphasis, where possible, might focus more sharply on shared interests
among participating countries (paras. 151-154).

273. The use of international personnel supplied through the assistance of
the United Nations system should be limited in time and to assist either in
carrying time-bound programme activities or in temporarily strengthening the
capabilities of the institution's permanent staff (para. 221).
274. Only in exceptional circumstances should the director of a regional inter-country institution be appointed and paid by a United Nations organization. In such instances the director should be provided as OPAS-type personnel and on a time-limited basis (para. 183).

275. Operational costs, sometime referred to as "institutional" costs, should as a matter of principle be borne by the governments concerned. Exceptional circumstances may justify a contribution from United Nations resources, but on well defined terms and on a time-restricted basis. United Nations system resources should normally be confined to the financing of some or all programme costs (137-140).

276. Monitoring and evaluation of assistance provide by the United Nations system should be a joint activity, planned and carried out by close consultation between participating governments and the United Nations organization concerned. Follow-up to sustain the impact of assistance should be identified at the time of project formulation (paras. 112 and 129).

277. The exacting task of strengthening United Nations system support to inter-country institutions would call for a more active and creative role of UNDP field offices. The question of strengthening them needs to be considered (paras. 132-133).

278. UNDP should revise its policy concerning use of regional IPF resources in respect of network arrangements so that a proportion of these resources can serve to assist national institutions forming part of such arrangements (paras. 215-216).

279. Consideration should be given to new approaches for the use of regional IPF's such as that suggested in footnote 23 (para. 177).

280. United Nations system programme support to regional inter-country institutions should be based as far as possible on an integrated approach that takes account of the totality of the system's resources in the relevant substantive areas. ACC should keep under review and encourage all inter-organization efforts aimed at strengthening such co-ordinated action (paras. 142-147).
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1/ Source: Based upon Document DP/488, Table A.9. Figures rounded to nearest $100,000.
## UNDP IPF DISTRIBUTION: 1971 - 1986

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<th>Programme Classification</th>
<th>First Cycle Amount (million)</th>
<th>1972-76</th>
<th>Second Cycle Amount (million)</th>
<th>1977-81 1/</th>
<th>Third Cycle Amount (million)</th>
<th>1982-86 2/</th>
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1/ Unadjusted, includes undistributed IPF
2/ Illustrative
3/ Includes allocation for National Liberation Movements.