

REPORT ON TECHNICAL CO-OPERATION ACTIVITIES OF THE INTERNATIONAL TELECOMMUNICATION UNION

Prepared by

K. Martohadinegoro

Joint Inspection Unit



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1. Resolution No. 930 of the ITU Administrative Council, 40th Session, held in Geneva in July 1985
2. Resolution No.21 of the ITU Plenipotentiary Conference, Nairobi, 1982.

I. INTRODUCTION

1. The Administrative Council of the International Telecommunication Union (ITU) by its Resolution, No. 930 of July 1985 (see Annex 1), requested the Joint Inspection Unit (JIU) to conduct a review of ITU's technical co-operation and assistance activities; to consider the programmes and finances for these activities and to assess the causes of the deficit in support costs incurred by the ITU in executing UNDP projects.
2. The wording of the operative paragraphs, and indeed elsewhere in the resolution, in particular the paragraphs of the preamble which called for a review of the overall management and operation of ITU's technical co-operation and assistance activities in accordance with Nairobi Resolution No. 21 (see Annex 2), would appear to indicate that the main issues of concern to the Administrative Council were ITU's problems in balancing its Technical Co-operation budget and the cost-effectiveness in the use of its scarce resources.
3. In addressing these issues, it became obvious that the financial constraints were the source of serious difficulties which had been hampering the ITU in fulfilling its mandate in conformity with the purposes of its Convention. It seemed, therefore, that helping the ITU to have the best possible management and operation of its technical co-operation activities would re-inforce the confidence of Member States in its effectiveness, improve its image and credibility and facilitate regular and stable financing.
4. The methods of approach included information collection and analysis from relevant documentation, in particular: reviews and reports of the Secretary-General of the ITU for the Administrative Council; reports on the deliberations of the Plenipotentiary Conferences and the Sessions of the Administrative Council concerning ITU's technical co-operation and assistance activities; reports of the UNDP Governing Council as well as previous reports of the JIU on technical co-operation activities by Agencies of the United Nations system including the ITU. A body of information was obtained by the Inspector from his field visits especially through discussions with Administration officials, UNDP Resident Representatives, ITU Area Representatives and individuals with special knowledge and experience in technical co-operation conducted by the ITU.
5. The study is structured according to the table of contents of the report. In examining the results achieved by the ITU through the execution of the main resolutions adopted by the 1982 Nairobi Plenipotentiary Conference (resolutions Nos. 16, 18, 21 and 26), the study has endeavoured to make an assessment of the extent to which the ITU has been instrumental in assisting the developing countries in the development of their telecommunication networks. It also reviews the circumstances which led to the deficit in support costs incurred by the ITU in executing UNDP projects. A number of recommendations are offered at the end of the report.
6. The Inspector is particularly grateful to the Government officials of the countries he visited, to the Secretary-General of the ITU and his staff both at Headquarters and in the field, and also to the UNDP Resident Representatives who enabled him to gather valuable information.

II. EVOLUTION OF THE ITU'S TECHNICAL CO-OPERATION ACTIVITIES

A. General observations

7. For the purposes of the present study, a demarcation line needs to be drawn between the technical co-operation and technical assistance activities carried out by the ITU. The confusion which occasionally occurs is mainly attributable to the fact that both types of activities are carried out by the same department and sometimes to the ambiguity contained in the relevant documentation on the difference between the respective fields of action. Technical co-operation activities are those for which the Technical Co-operation Department (TCD) discharges, under the authority of the Secretary-General, management and logistical duties. They generally refer to concrete projects in a developing country which, in special cases, may affect several developing countries (regional or inter-regional projects). Technical co-operation activities are almost entirely financed from extra-budgetary sources. The implementation of technical co-operation is guided by relevant provisions of resolutions nos. 16-30 of the ITU Plenipotentiary Conference. Technical Assistance is provided mostly through the Group of Engineers and the Training Division, by the International Consultative Committees (CCIR and CCITT) and the International Frequency Registration Board. It is financed from the funds made available including under Chapter 7 of the ITU's Ordinary Budget and carried out in conformity with Articles 10 and 11 of the 1982 Convention. Hereinafter, the Inspector will deal essentially with technical co-operation activities and will touch upon the ITU's technical assistance only in cases where these cannot be separated.

B. Methods and forms of technical co-operation

8. The telecommunications technical co-operation activities have significantly evolved both in character and scope since 1952 when the Union officially became a participant of the United Nations Expanded Programme of Technical Assistance. A number of factors, such as the expansion of membership, socio-economic advancement but above all the rapid growth of technology and the desire to cope with ever-increasing needs in telecommunications are responsible for this evolution. The latter has been extensively dealt with in the Administrative Council's report on "The Future of ITU Technical Co-operation Activities" (doc. 47-E) presented at the Plenipotentiary Conference (Nairobi, 1982) as well as in the documents on "The Changing Nature of the Technical Co-operation Activities of the ITU" (doc. 6343-E) and "Organization and Methods of the Technical Co-operation Department" (doc. 4816-E) submitted to the Administrative Council in July 1985. The Inspector sees no need, therefore, to repeat the information provided therein. However, some salient features of the evolution of the ITU's technical co-operation activities are worth-recalling.

9. During the 1950s, the ITU's technical co-operation activities were mostly limited to the awarding of about 160 fellowships and organization of some 60 expert missions annually. A small secretariat (3 staff members) serviced the technical aspects, the organization of training, the search for candidates for field vacancies and the supervision of missions. All the administrative work relating to these fellowships and expert activities was done by the United Nations Technical Assistance Administration in New York. With the decision of the 1959 Plenipotentiary Conference (Geneva) to participate actively in technical assistance programmes of the United Nations and the subsequent establishment (in 1960) of a Technical Co-operation Department, the Union concentrated its technical co-operation activities in the 1960s on the provision of long-term general-purpose advisers, who were to assist developing countries in the setting up of telecommunication administrations. This was complemented by the provision of other experts to set up basic-level training centres and the award of long-term fellowships for the newly created administrations. The Headquarters support at that time consisted mainly in identifying suitable expertise and programmes. There were also resident project managers responsible for day to day matters. During the 1970s, the major features of trans-

formation of the ITU's technical co-operation activities were: (a) the upgrading of the basic level training centres and (b) the provision of more specialized engineering assistance at the national level or for the carrying out of pre-investment surveys of regional networks (PANAFTEL, MEDARABTEL, etc.). Accordingly, the Headquarters' programme support had to be changed with a major emphasis placed on field-oriented engineering activities, the recruitment and supervision of a larger number of field specialists, tendering, purchase and installation of operational equipment, recruitment of shorter term trainers (1-2 years) and shorter term individual fellowship programmes (a few months).

10. At present, through its technical co-operation projects, the Union assists the recipient countries in planning, specification, the search of investment finance, implementation and operation of networks. It is involved in a wide range of activities aimed at:

- the promotion of development of telecommunications networks in Africa, the Americas, Asia, Europe and the Middle East;
- strengthening of national technical and administrative services in developing countries; and
- the development of human resources for telecommunications.

11. It has to be acknowledged that the demand for multilateral co-operation for telecommunications projects is increasing mostly because of: (a) an extremely high rate of development of telecommunication sector and (b) a growing awareness that advanced telecommunication is not only the aim but also a tool of socio-economic development. Resolution No. 24 of the Nairobi Plenipotentiary Conference, 1982, stressed the important supporting role played by telecommunications in the development of agriculture, health, education, transport industry, human settlement, trade, transfer of information for social welfare and in the general economic and social progress of developing countries. In this connection, the Independent Commission for World-wide Telecommunications Development also stated in its report "The Missing Link": "Telecommunications can increase the efficiency of economic, commercial and administrative services, improve the effectiveness of social and emergency services and distribute the social, cultural and economic benefits of the process of development more equitably throughout a community and a nation".

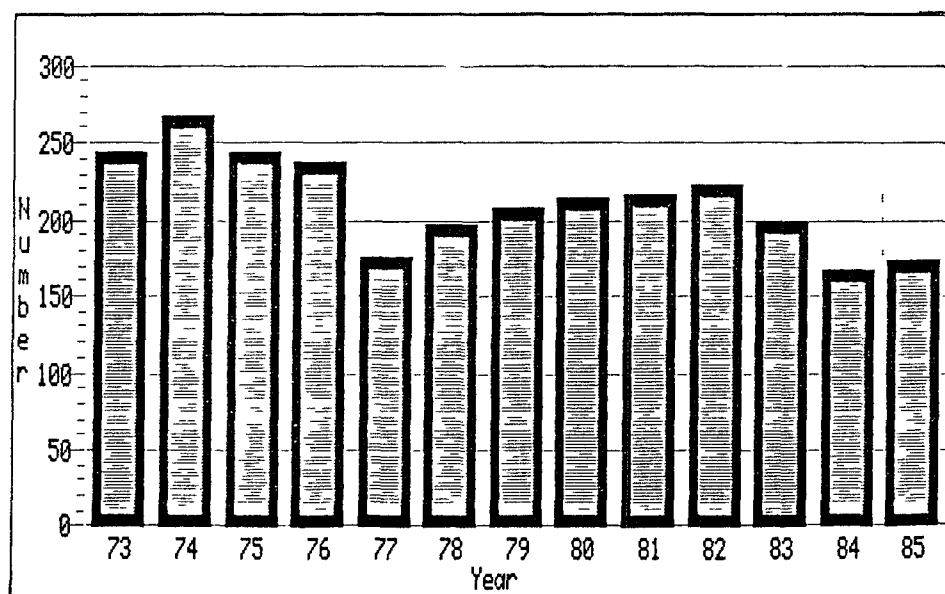
12. On the other hand, the uneven penetration of modern telecommunication into the developing world creates an enormous variety of the levels of telecommunication development. The need for cooperation, therefore, also becomes extremely diversified, the range of programmes, to satisfy even partially this demand having to be very wide and the programmes themselves very specific. Indeed developing countries need cooperation in almost all aspects of telecommunication activities, particularly in the planning of all telecommunication services and systems in terms of national priorities or regional economic needs, in provision of telecommunication services and networks, in the organization of the operation and maintenance of network elements, education and training of technical, managerial and scientific personnel, in the development of rural telecommunication, in transfer of technology and organization of local industry. The demand is increasing for high technology expertise in fields such as fibre optics, satellite communications, digital equipment, etc.

13. With telecommunication technology becoming more sophisticated, the Union is faced with an increasing demand for short-term missions to address specific problems of a precise technological nature and particularly to provide neutral advice in order to facilitate decisions of the countries concerned on how to proceed in the introduction of modern technology. Also, since the relevant expertise is scarce, the Administrations are reluctant to release their experts for more than short-term missions. So, whereas in 1975/76, the average length of an expert's mission was 6.7 months, in 1983/84 it was only 4.3 months.

14. The above-mentioned factors place additional work burden on the ITU, require a greater technical competence of ITU's professional staff concerned with technical co-operation activities and greater involvement in project management. They also necessitate that a major emphasis be placed on the most effective and economic manner practicable of carrying out these activities. The measures taken to strengthen the Union's regional presence is an example of adequate response to this need.

Graph 1

Number of technical co-operation projects executed by ITU
(1973 - 1985)



15. Shown in Graph 1 above, over the 1973-1985 period, between 170 (1984) and 265 (1974) projects were executed by the Union annually. Of all projects executed, country projects accounted for 80-84 per cent of the total, while the rest were regional and interregional projects with the latter within the range 3-4 projects a year.

16. Cumulative expenditures for all types of projects carried out by the Union between 1973 and 1984, by region, were as follows (in thousand US\$):

Africa	US\$93,007	(32.67%)
Americas	US\$47,559	(16.71%)
Asia and Pacific	US\$72,479	(25.46%)
Europe and Middle East	US\$68,555	(24.08%)
Interregional	US\$ 3,084	(1.08%)
<u>Total:</u>	<u>US\$284,684</u>	<u>(100.00%)</u>

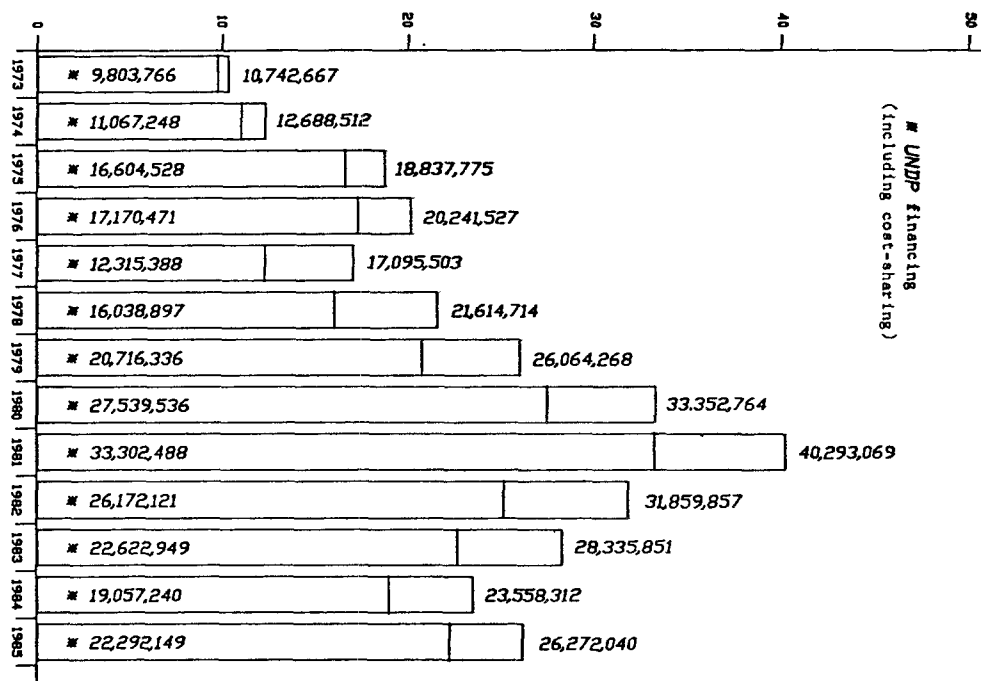
The figures presented above are given for illustration only. However, taking into account the number of countries in the region concerned, they may suggest priority accorded to telecommunication development. It should be noted, however, that the figure for Europe and Middle East does not include expenditures with respect to the Middle East countries incurred in 1973-1974 because for these countries the Asian Division of TCD was then responsible.

C. Financing the ITU technical co-operation activities

17. From the outset, it has to be pointed out that ITU has no programme of technical cooperation financed from its own resources. In the earlier years, the resources were forthcoming almost exclusively from the UNDP (91.3 per cent in 1973). At present, ITU continues to depend upon the UNDP and complements its activities

under the UNDP with inputs financed from Trust Fund, Associate Experts (a scheme under which costs of missions are borne by the donor countries), Special Fund for Technical Cooperation (Resolution No. 21 of Plenipotentiary Conference, Malaga, Torremolinos) and other funds.

Graph 2
Value of ITU's Technical Cooperation Activities, 1973-1985
(in US\$)



18.. The graph above suggests that over the period 1973-1985 the expenditure with respect to ITU technical co-operation activities totalled about US\$311 million and some 82 percent (84.9 percent in 1985) of this expenditure represented resources made available by the UNDP. The present share of UNDP resources devoted to ITU projects represents a proportion of about 4.5 percent (against 0.9 percent in 1960) and the ITU ranks seventh among the UN organizations receiving funds from UNDP. The graph also suggests that, leaving aside a rather noticeable (about US\$3 million) reduction of resources in 1977 which is explained by the repercussions of the liquidity crisis faced by the UNDP at the end of 1975 and subsequent severe project cuts since 1973 the value of assistance rendered by the ITU to developing countries was progressively growing until it reached the peak of US\$40,293,069. In connection with this peak it has to be noted that although expenditures as defined by UNDP include both disbursements and unliquidated obligations, before 1981, the ITU was not in a position to include unliquidated obligations into expenditure reports and therefore could not comply with UNDP requirements. Thus, figures indicated above for the period prior to 1981 show disbursements only. In 1981, ITU modified its computer programmes and the expenditure figure for 1981 included therefore disbursements made in that year against 1980 unliquidated obligations, not recorded in 1980 expenditures, and unliquidated obligations of 1981 (amounting to US\$4,842,731). Even given this allowance, the subsequent period may be described as that of steady and rather steep decrease. The expenditures in 1984 amounted to only US\$23,558,312, which was followed by an upturn in 1985 (US\$26,272,040).

19. It is also worth mentioning that the expenditures shown above against the resources made available by UNDP include government cost-sharing. "Government cost-sharing" is the term used by UNDP to denote the arrangement by which Governments agree to share certain convertible currency costs of UNDP-assisted projects.

Two types of cost-sharing exist:^{1/} (a) partial or full government financing and (b) third-party financing. The data provided by the ITU Secretariat for the 1980s suggested that in 1980 "cost-sharing" as a proportion of expenditures incurred against UNDP resources accounted for 23.8 percent, in 1981 - 17.2 percent, 1982 - 19.9 percent, 1983 - 36.2 percent and 1984 - 31.7 percent. The preliminary estimates for 1985 suggest the corresponding figure close to that of 1984.

20. With respect to other sources of financing of the ITU technical co-operation activities, it should be noted that Trust Funds ^{2/} are, generally, assuming greater proportions (8.9 percent on the average in 1960s, 13.2 percent in 1970s, and 16.0 percent in 1980-1984), while the importance of financing under the Associate experts scheme, which in the 1970s increased against that of the 1960s, in the 1980s suffered a noticeable decline with its lowest of 1.3 percent in 1985. As to the Special Fund for Technical Co-operation, which was established in 1973 under Resolution No. 21 of the Malaga-Torremolinos Plenipotentiary Conference on the basis of voluntary contributions both in cash and kind to meet the needs of the developing countries submitting urgent requests for assistance, despite repeated appeals for pledges, it did not prove to be a significant complement to the financing made from other sources. Over the years 1973-1983, contributions in cash totalled only 426,890 Swiss francs. These were used for organizing short-term expert missions, fellowships and purchase of equipment. Contributions in kind were mostly made in the form of equipment (generators, telephone sets, teleprinters, transceivers) and fellowships.

21. The Nairobi Plenipotentiary Conference (1982), recognizing in particular, "the requirement for specific technical assistance in many countries in order to improve the capacity and efficiency of their telecommunication equipment and networks and thereby narrow the large gap between the developing and developed countries" and considering that funds within the regular budget for technical cooperation and assistance activities are not sufficient to cover the needs of the developing countries to improve their national networks resolved to establish a Special Voluntary Programme for Technical Co-operation. In 1984, such a programme was established and, in reality, replaced the Special Fund for Technical Co-operation. As a result of consultations held with a number of Administrations and companies, and appeals made, about US\$2.7 million was raised to assist developing countries in Africa, Asia and the Pacific.

1/. (a) Partial government financing refers to project costs and agency overhead costs that could otherwise have been charged to the IPF and UNDP general resources. Full government financing of project or programmes can occur either in countries which have agreed to forego their entire IPF but still need technical assistance or for individual projects, in countries that have retained a part of their entire IPF. (b) Third-party financing refers to funds made available to UNDP by one or more countries other than the recipient country(ies) for the purpose of technical cooperation projects or programmes in one or more selected recipient countries.

2/. Trust Funds made available to the ITU consist of two types: traditional (under which governments provide financing projects) and third party (under which Funds entrusted to the Union by a government permit provision of assistance to a third party).

D. Programme delivery

Table 1

22. Status of allocations and deliveries of UNDP projects (1979-1985), as at 31 December (US\$).

Year	Allocations	Total expenditures	Delivery (%)
1979	28,392,942	20,716,336	73
1980	36,942,844	27,539,536	74.5
1981	37,839,615	33,302,488	88
1982	29,872,524	26,172,121	87.6
1983	27,349,990	22,622,949	82.7
1984	24,738,414	19,057,240	77
1985	25,925,526	22,292,149	86

23. Table 1 above suggests that during the period 1979-1985, for which the data was made available by the ITU Secretariat, the ITU achieved relatively high although rather variable rates of delivery of UNDP-financed projects. Indeed, these were within the range of 73-83 percent. The rates of delivery of projects financed from other sources were approximately the same. The Inspector had no detailed information as to the exact causes of the variability in the rates implementation of technical cooperation programme. However, this can be explained by changes in the composition of projects (large purchases of equipment, for example, are conducive to the raising of the rates), unavoidable delays in recruitment of scarce highly qualified experts and as well as by delays in the approval of submitted candidates by recipient governments.

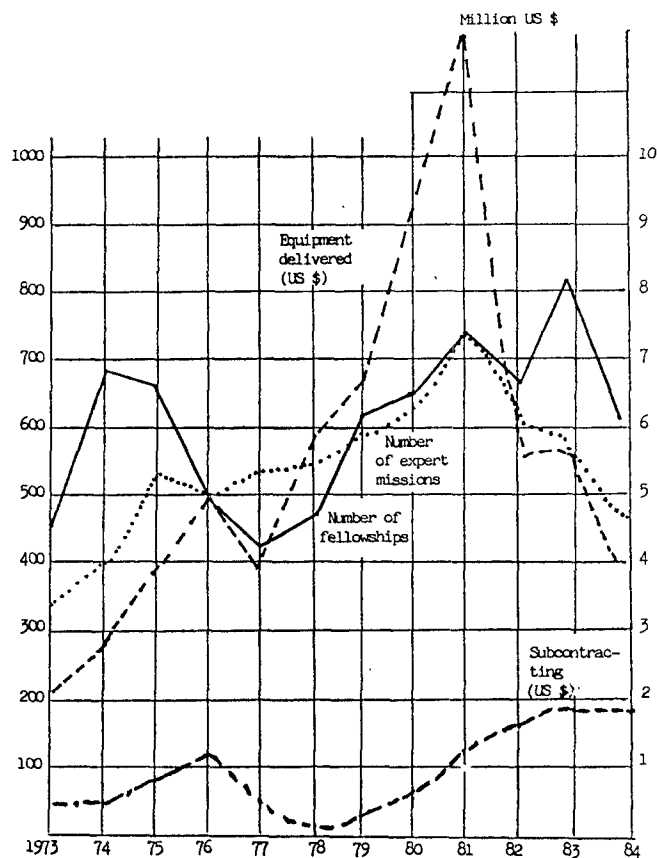
E. Project components

24. In administering the funds made available in the interest of telecommunication development, the Union has provided the services of experts/advisers, organized and administered training courses for fellows sponsored by the Administrations, and procured a wide range of equipment. The volume of the Union's technical co-operation activities during the period 1979-1985 is evidenced by the following aggregates:

- 6431 missions were undertaken which provided 38,609 man/months of services,
- 7294 fellows received awards for training abroad including 2,344 short-term awards made to participants to various seminars (group training); and
- expenditure for equipment for various ITU field projects totalled US\$65,802,810.

Graph 3

The evolution of ITU's technical co-operation in 1973-1984,
by component (in absolute terms)

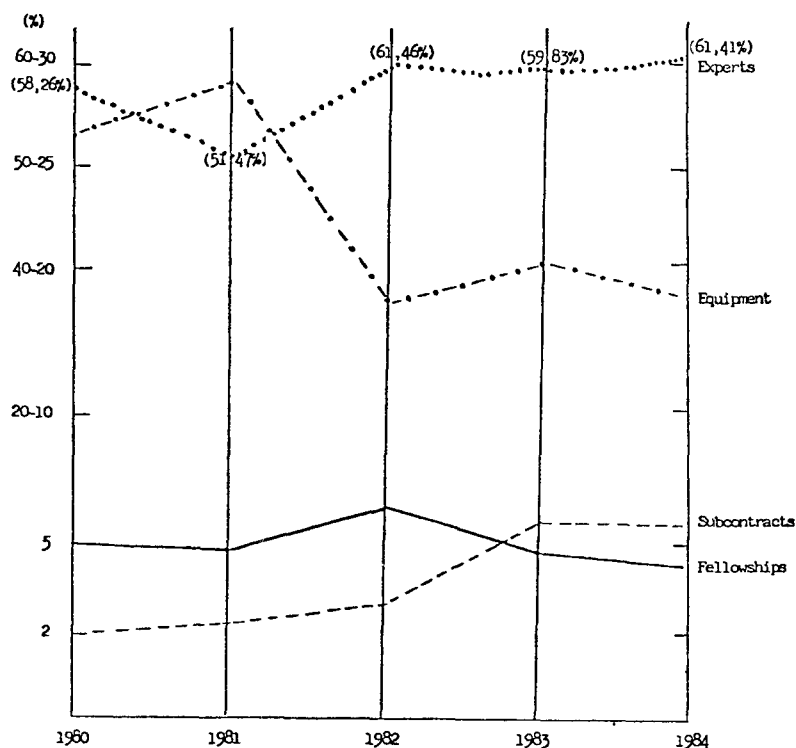


Sources: Report of the Administrative Council to the Plenipotentiary Conference (Nairobi, 1982), Reports on the Activities of the International Telecommunication Union in 1982, 1983, 1984 and data provided by the ITU Technical Cooperation Department

25. Graph 3 shows that the development of three major components (equipment, fellowships and expert missions) followed largely the same trend. 1973-1976 were (except for fellowships) years of a steady growth followed by a decrease. Equipment and fellowships were at their lowest in 1977 and 1976-1977 respectively. As far as expert missions are concerned, their decline between 1975 and 1976 was not significant and in 1976 the downward trend was reversed. Since 1977 all the components began to grow at a high rate, and in 1981, achieved (apart from fellowships for which 1983 was a record year - 827 fellowships) the highest levels. The total cost of equipment delivered exceeded, in 1981, US\$12 million and the number of expert missions was 727. The financial stringency and curtailment of UNDP resources made available for technical cooperation adversely affected these activities in the period since 1982 which witnessed a sharp decline in all the three components. In recent years, subcontracting for services and assistance which could not be provided directly by the Union has become another major component which is the reason of its being reflected in graphs 3 and 4. Indeed, in 1983 the expenditures on subcontracts (US\$1,963,930) for the first time exceeded that on fellowships (US\$829,600). In 1984, the corresponding figures stood at US\$1,951,852 and US\$1,393,360, respectively. In 1984, the value of subcontracts represented almost a half of resources spent on delivery of equipment through direct purchase orders.

Graph 4

The evolution of ITU's technical co-operation in the 1980s,
by component



Sources: Data contained in the Report on the Activities of the International Telecommunication Union in 1980-1984

26. Graph 4 above shows the evolution of ITU's technical co-operation in the 1980s by component in relative terms. It suggests that in the 1980s expert services amounted to 60-61 percent of the total ITU's expenditure on technical co-operation. On the other hand, the share of resources spent on equipment has substantially fallen and now represents about 17.2 percent as against 29.8 percent in 1981 which is the record year for this component during the 1980s. With respect to fellowships there has been a rise of 7.5 percent in 1982 followed by a decline in the subsequent years (5.9 percent in 1984). The graph also reflects a substantial rise in subcontracting from 2.3 percent in 1980 to 8.3 percent in 1984.

27. Though each component has its own particular importance for an individual country at a given time, it seems to the Inspector that most developing countries pay considerable attention to the training of manpower (Human Resources Development) which is at the origin of any invention and any wealth. The Inspector is aware of the assistance in group training, establishment and strengthening of training facilities, individual fellowships and advisory services, etc., which the ITU is providing the developing countries, with emphasis on the least developing countries. He is also equally aware of the limited possibilities of the ITU to influence the composition of projects financed by the UNDP. However, he is convinced that there are other possibilities to pursue, such as through participation in programming and planning, which could lead to receiving higher priority for the development of Human Resources for telecommunication in the ITU technical cooperation and assistance programmes. ITU may also consider taking measures to make better use by the developing countries of the methodologies developed through CODEVTEL. The Inspector, therefore, recommends that the Administrative Council instructs the ITU Secretary-General to prepare the analysis of the Human Resources Development through technical cooperation activities of the Organization and to present it to the next session of the Administrative Council.

28. While since 1981 a sharp decline in resources made available from all sources for ITU technical co-operation activities and, consequently, in the number of projects is a general feature which has already been referred to in the present report, it is also worth mentioning that the average unit value of projects is also decreasing. Thus the average value of operational projects financed from all funds in 1981 was equal to US\$182,321, in 1982 - US\$141,599, in 1983 - US\$140,979, in 1984 - US\$138,578. These general figures were particularly affected by declining average duration of expert's mission which, as already mentioned in paragraph 13 above, in 1983/84 was only 4.3 months, whereas the average for 1978-1983 was 5.1 months and for 1968-73 - 8.3 months.

29. It may be concluded that, at present, the ITU is confronted with a difficult task as far as its technical co-operation activities are concerned. The rapid technological change in telecommunications requires of the ITU to keep abreast with the latest equipment, techniques, methodologies, etc. Its heavy dependence on the UNDP for financing makes it imperative for the ITU to keep under constant review the evolution of the UNDP programme allocations to countries and to adjust its staffing engagements to the programme. Finally, it needs also to be noted that constraints exist due to the uncertainty as to how the newly-established Centre for Telecommunications Development, whose terms of reference are still to be elaborated, will affect the work of the Technical Co-operation Department.

III. PLANNING AND SUPPORT OF TECHNICAL COOPERATION ACTIVITIES

A. Technical Cooperation Department

30. As mentioned in paragraph 7 above, the Technical Cooperation Department (TCD) is responsible for carrying out the technical cooperation programme. It was set up in 1960 following a decision by the 1959 Plenipotentiary Conference with the aim of providing the ITU with an adequate service which would enable the Organization to take an active and full part in the United Nations system of technical assistance.

31. The Department is at present being financed from both extrabudgetary resources, comprising notably reimbursements for programme support costs remitted by the UNDP in partial coverage of the costs of supporting UNDP-financed projects and the regular budget of the Organization. The Technical Co-operation Special Account budget (i.e. support costs income) pays for:

at Headquarters

- 50 percent of the cost of the staff of the office of the Chief of the Technical Co-operation Department,
- the staff of the present Regional Divisions who are to remain in Geneva at this stage,
- the staff of the existing Administrative Division,
- two posts in the Personnel Department,
- six posts in the Finance Department,

at the field level

- eight ITU (Technical Co-operation) Area Representative posts (of which six have now been appointed),
- eight secretary/assistant posts as support for the above Representatives.

The regular budget of the Organization pays for the following services of the

Technical Co-operation Department (see document 6020-E, para. 25):

- the expanded group of engineers,
- the Training Division,
- the Telecommunications Economic Unit,
- the Voluntary Programme Team,
- the 50 percent cost of the staff of the Office of the Chief of the Technical Co-operation Department,
- contribution for the least developed countries.

At the field level, the regular budget as from 1983/1984 pays for the third phase of the CODEVTEL Project and for the four Senior Regional Representatives.

32. The organizational structure of the Technical Co-operation Department has been discussed by the Member States at succeeding Plenipotentiary Conferences. Apart from some refinements in administrative tasks adopted by the Plenipotentiary Conferences in Montreux 1965 and in Malaga-Torremolinos 1973, the basic concept of the Department's structure, i.e., regionalization and the separation of field activities from the administrative aspects of technical co-operation has remained unchanged.

33. The Nairobi Plenipotentiary Conference (1982), by its Resolutions Nos. 18, 21, 24 and 26, instructed the Administrative Council to improve the whole of the ITU's development work so as to enable the ITU to contribute to the development process in the most effective and economic manner possible. Such undertaking, according to the ITU's Secretary-General (see documents 6020-E and 6146-E) requires considerable time and adequate resources, a review and assessment of the present situation, and the formulation of proposals for ITU's development activities as a whole, including the functions of the permanent organs with respect to the provision of assistance to the developing world. Meanwhile, certain preliminary actions have been taken relating to the strengthening of the Technical Co-operation Department, for improving working procedures to enhance the role of technical cooperation in developing countries, increasing ITU's presence in the field by the progressive outposting of Project Officers to the regions in the capacity of ITU Area Representatives and Senior Regional Representatives as well as in contributing to the objectives of Resolution 24 on telecommunication infrastructure and socio-economic development.

34. As can be seen from the reports of the ITU Secretary-General to the Administrative Council, ITU actions have been mainly concentrated on further efforts to increase effectiveness and strengthen its regional presence. In this context, it will be recalled that in his report on "Organization and Overall Management of the Technical Co-operation Department" (document 6146-E), the ITU's Secretary-General suggested that "Rigid regionalization of operations will probably be replaced by a system where each project officer is made responsible for a group of countries and as necessary overlapping two or more regions so as to better utilize his capacity, knowledge of languages, technical background and specific experience". He further suggested in document 6020 that in order to cope with the situation, the principles formulated in that document be strictly observed when introducing structural changes as far as the management is concerned. While agreeing to the above mentioned statements, the Inspector would recommend to the Administrative Council: (a) to consider the possibility of merging the Regional Divisions into one technical backstopping unit consisting of several desks, and (b) to instruct the Secretary-General to set up procedures to ensure the reallocation of responsibilities within this unit and to keep the staffing levels of the Technical Co-operation Department in conformity with the programme of work to be carried out and the funds made available.

35. The table 2 below gives an idea of the staffing of the TCD since 1977.

Table 2

	1977		1979		1981		1983		1985	
	P	GS	P	GS	P	GS	P	GS	P	GS
Administrative staff	8	22	8	23	7	30	7	29	8	23
Regional Divisions	21	16	22	16	22	24	24	25	16	16
Field	-	-	-	-	-	-	-	-	6	4
Total:	29	38	30	39	29	54	31	54	30	43

(NB: The table excludes staff outside TCD (e.g. in Finance and Personnel departments dealing with project accounts payments and pensions and insurances) which are charged to the TCD budget. These amounted to 16 persons in the mid seventies and have now been reduced to 8)

36. The table shows that TCD staff grew substantially during the period 1981-1983 and since then has tapered off to approximately 1979 levels. The administrative staff, i.e. staff dealing with budget coordination, equipment procurement, fellowships and expert servicing, has only experienced slight variations. The main changes - a reduction of 11 professional posts - have occurred in the regional divisions. Part of this reduction (6 professionals) is explained by the opening of the six area representative offices in the field; the rest is mainly the result of the shortfall in programme delivery.

37. Out of 8 Area Representatives proposed (Africa: 3, Asia-Pacific: 2, Latin America/Caribbean: 2, Middle East/Europe: 1), 6 joined their respective duty stations in the following order: Santiago (21 March 1984), Tegucigalpa (22 April 1984), Dakar (21 May 1984), Colombo (24 June 1984), Harare (27 June 1984) and Jakarta (17 November 1984). With two years having elapsed, the running-in period seems to be over and some general conclusions need to be drawn as far as the operation of the Area Representative scheme is concerned.

38. In the Inspector's opinion, the posting of Area Representatives has been a positive action. This view was shared by the Administration and UNDP representatives with whom the Inspector had discussions during his fact-finding missions to Africa and Asia. The services which Area Representatives have provided in terms of sectoral support and supervision/implementation/monitoring of projects have been undoubtedly useful. Previous experience of ARs (all of them, prior to their new appointments, had served at ITU Headquarters and in the field) proved to be a very positive factor. Specific contribution which ARs can make in the countries concerned differs depending on such factors as the level of development of telecommunication networks, degree of involvement of private interests, availability of national expertise, etc. In countries like India, for example, the Area Representative may be expected to contribute more in terms of project implementation than in terms of provision of sectoral support, while in the least developed countries, both functions which Area Representatives have been charged with may have an equal value.

39. According to the information obtained from the ITU Secretariat, the ITU Senior Regional Representatives who are responsible to the Secretary-General will be assigned to the regions in the course of 1986. The Inspector is of the view that there is a need to set up procedures to ensure some lines of communication between the Senior Representatives and the Area Representatives.

B. Participation in programming and planning

40. The JIU Report on some aspects of the Telecommunication Programme of the International Telecommunication Union (JIU/REP/75/9) which was issued about ten years ago, noted the need to study the various procedures whereby the ITU could more directly participate in development programming particularly bearing in mind that the United Nations was moving away from "project" concept towards "programme" concept.

41. At present, the UNDP assistance is generally provided through implementation of projects within the framework of the overall development plans prepared by governments. Thus the major role in planning and programming is played by recipient countries themselves while the role attributed to a specialized agency, as a partner in the development process is that of an adviser. In fact, in preparing a country programme the different ministries of a developing country are assisted, upon request, by the various sectoral agencies co-operating in the United Nations Development Programme. The input of the ITU is thus made mostly through the provision of sectoral support to telecommunication administrations.

42. Within the framework of sectoral support the ITU may be and, in reality, has been requested to prepare a sector study which involves a comprehensive examination of all major aspects relating to the sector and should produce a detailed action programme to be pursued on a long-term basis. A sector study is, under certain conditions, essential for the formulation of a Master Plan and, in some cases, may entail changes in the policy of the government concerned in the field of telecommunication (reconsideration of priorities), decisions on recourse to bilateral/multi-lateral programmes, investments, etc.). The statistics provided by the ITU Secretariat suggest that over the years 1973-1985, 23 sector studies and 34 master plans have been prepared. In connection with sector studies, it also needs to be mentioned that these are normally prepared at the beginning of the UNDP country programming cycle and generally necessitate the services of a group of persons, including outside experts, for a relatively long (2-3 months) period of time.

43. A sector study, as a general rule, is accompanied by a set of country programme proposals suggesting ways in which the ITU might provide assistance to the country's telecommunication sector during the programming period. Copies of these are sent to the UNDP Resident Representatives for discussion with appropriate authorities and to the ITU Headquarters for information. In most cases, when a sector study is not required, participation of the ITU in programming takes the shape of preparing sector reviews or project proposals (not to be confused with project documents prepared at a later stage).

44. The purpose of sector review is to analyze an existing situation and propose a series of short-term actions aimed at improving this situation. As for project proposals, these are intended to address a specific problem in the sector. They usually contain a summary of the project's immediate objectives, outputs, activities, inputs and time-frame for project implementation. Both sector reviews and project proposals can be produced by the ITU Area Representative in a short period of time even without the assistance of other specialists.

45. In fact, with the appointment of Area Representatives who, on behalf of the ITU are at present principally involved in the programming exercise, the latter two forms of sectoral support were given a significant impetus. Since their entry on duty and throughout 1985 the Area Representatives participated in 3 sector studies and prepared 30 sector reviews and 58 project proposals, of which 17 have already been approved. Quite a number of others are in the process of being considered by the authorities concerned. Area Representatives monitor and evaluate project activities and provide advice on specific matters.

46. There have been no cases when project proposals were not approved due to other reasons than financing. The administration officials and the UNDP ResReps with whom the Inspector had discussions on the role played by the ITU in programming were generally of the opinion that it was quite satisfactory. As to the ITU Area Representative, it was held that this scheme allowed a more regular and quicker response

to requests for sectoral support originated by governments. The quality of the relevant documentation prepared by the Area Representatives was estimated as sufficiently good.

47. In addition, it must be noted that the role of the ITU in programming is not limited to sectoral studies, programme or project proposals. The meetings which the ITU officials held with telecommunication authorities during missions, papers prepared for regional conferences and specially for sectoral programming conferences and finally discussions during tripartite reviews more often than not serve as a point of departure in identifying sectoral problems and their possible solutions.

C. Substantive and administrative support

48. The substantive support in the course of implementation of the Technical Co-operation programme is rendered by the Regional Divisions, the Training Division and the Group of Engineers and backstopped by respective units of the Administrative Division. Since responsibilities of all these have been extensively analysed by the ITU Secretary-General in his report "Organization and Methods of the Technical Co-operation Department" (doc. 5816-E), the Inspector does not feel the need to repeat this information but rather to make reference to the changes in the provision of substantive support.

49. In order to assist Area Representatives to more effectively discharge their duties, a Task Force, set up at the level of TCD, prepared a provisional Manual of Procedures and Guidelines covering duties, procedures and working arrangements for Area Representatives. In March 1986, a revised version of the Manual was issued which included a number of amendments formulated by the ITU Headquarters and Area Representatives in consultation with the UNDP. The new version of the Manual gives a detailed allocation of functions and responsibilities for the planning and administration of projects between Area Representatives, Project Personnel (Project Managers, Chief Technical Advisers, Team Leaders, Experts, National Project Directors) and the Regional Divisions. It also contains such essential documents as guidelines for carrying out sectoral studies and guidelines on Project Formulation.

50. With the appointment of Area Representatives a modified procedure of approval of project proposals has been established. It is provided that project proposals sent by Area Representatives to the ITU Headquarters are considered by the Regional Division or the Project Appraisal Committee (PAC), which may endorse the proposals or suggest changes. In conformity with the new procedure, proposals for large-scale projects costing US\$1,000,000 or more will be appraised by the PAC (consisting of the Chief of TCD, Heads of Regional Divisions, and as and when required, Coordinators of the Group of Engineers and the Voluntary Programme). Whereas those costing less than US\$1,000,000 and more than \$400,000 will be appraised by the Regional Divisions. If the amount involved is less than US\$400,000 then project proposals may be approved by the Area Representatives themselves. In general, the project documents are to be prepared by Area Representatives. All are signed by the Resident Representatives for the ITU.

51. The Inspector notes with satisfaction that the terms and conditions of service of the Area Representatives including substantive support provided to them, have been adequately developed in line with the directives of the Administrative Council. However, having seen two Area Representatives at work with office accommodation provided by the host countries, no agency vehicle, and a minimal level of transportation allowance, the Inspector believes that it would be appropriate for the ITU to consider the possibility of providing the Area Representatives with additional funds for their inland transportation so as to place them in a better position to be more mobile in meeting ITU's technical cooperation obligations to the countries they cover.

52. In the Inspector's opinion, some thoughts might be given to possible improvement in providing substantive and administrative support.

(i) Experts

(a) As far as recruitment of experts and consultants is concerned, the procedures whereby only applications forwarded through the administrations are taken into account constitutes a certain restriction which may not always be conducive to the recruitment of the best available talents. It may be removed at least for short-term posts (e.g. less than 12 months).

(b) Wider distribution of Vacancy Notices needs to be ensured. At present, these are generally sent to one point in the Telecommunication Administration where delays occur in disseminating the information to the qualified candidates.

(c) For very short-term posts (one to two months), the standard procedure for expert selection should not be insisted upon. Flexibility should be left to the Regional Divisions/Chief of TCD.

(ii) Fellowships

From the interviews held with respect to fellowship administration, it appeared that after the receipt of fellowship nominations there is practically no feedback to the Administrations till, after an indeterminate delay, fellowship programme is announced, often with little time prior to the commencement of the programme. The Inspector believes that, wherever possible, countries should be encouraged to directly negotiate the programme and final authorization before it is issued by the ITU. He is also of the opinion that it is desirable to organize a comprehensive study to evaluate the effectiveness of the fellowship programme and how to make it more effective. In his own view, the ITU Area Representatives can play a significant role in reducing the delays in the fellowship nomination by the Administrations. A quarterly report mainly intended for Area Representatives was instituted in 1985.

(iii) Equipment procurement

The Inspector believes that there is still scope for improvement as far as equipment procurement is concerned. In his view, the following measures could be taken:

(a) Guidelines on equipment procurements should be revised and more widely circulated both at Headquarters and in the field.

(b) The procedure of the Equipment Selection Panel should be more precisely described so that ITU expatriate and counterpart staff in the field become more acquainted with these procedures.

(c) Consideration should be given to introducing a waiver to the rule that purchase of even the smallest items requires prior authorization from Headquarters.

D. Programme support cost

(i) The problem of the accumulated deficit

53. The ITU Administrative Council by adopting resolution 930 which requested the JIU to review ITU technical co-operation activities also specifically asked the JIU to "assess the causes of the deficit occurred in the support of these activities". Accordingly, in the following paragraphs the Inspector attempts to shed some light on this issue and to advance a recommendation which, if accepted, would solve the problem once and for all.

54. In paragraphs 30 to 39, the structure and functions of the Technical Cooperation Department (TCD) have been analyzed and some suggestions aimed at increasing its cost-effectiveness have been made. Since the technical and administrative back-stopping functions performed by the Department are financed almost exclusively from support cost income received from UNDP and other voluntary funding sources, the measures suggested, if implemented, would in all likelihood result in some reduction of support costs. The paragraphs hereunder deal more specifically with the policy aspects of the question.

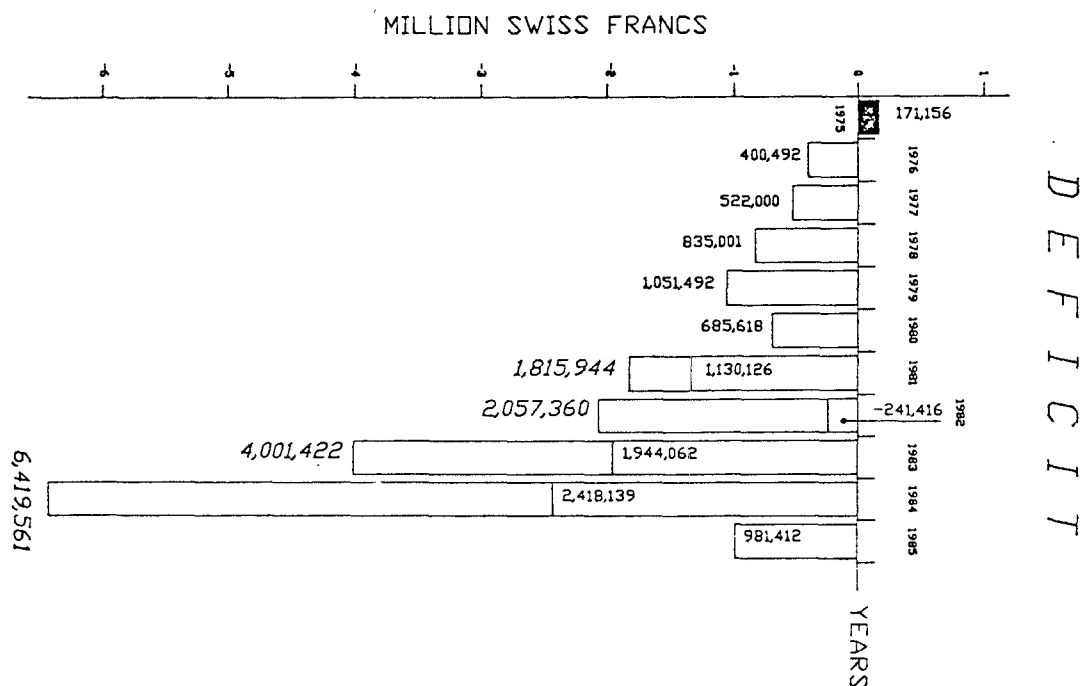
55. It should be recalled here that TCD is a separate organizational unit within the Union. In addition to UNDP-financed projects - which account for more than 80 percent of the total - the Department handles projects financed under Funds-in-Trust arrangements, the Associate Expert Scheme and a small voluntary programme. Unlike

most other specialized agencies of the United Nations system, ITU does not finance any technical co-operation activities from its regular budget and has consistently pursued a policy aimed at keeping indirect support (i.e. the administrative costs of servicing technical co-operation projects) from the regular budget to technical co-operation activities financed from voluntary contributions to a bare minimum.

56. In each year since 1973, except for 1975, the income received by the ITU from UNDP in the form of reimbursement for support costs was lower than the costs incurred by ITU in connection with the administration and implementation of UNDP-financed projects in developing countries. During the period 1973 to 1979, for every year except 1975, the ITU requested and UNDP authorized additional reimbursements, on an ad hoc basis on the grounds of particular hardship to cover the deficits incurred. 3/

57. The Graph below gives a visual presentation of the magnitude of the deficit and of its accumulation since UNDP discontinued the practice of additional reimbursements. Table 3 provides more detailed information: it shows the evolution of total project delivery for the years 1975 to 1985 and provides a breakdown of the evolution of total support cost expenditures in its three components: income received from funding agencies, contributions from the regular budget and the deficit incurred. This allows total support cost expenditures to be expressed as a ratio of project delivery; accordingly the table shows that in percentage terms support costs average around 18 percent of project delivery with a high of 22.3 percent in 1978 and a low of 13.4 percent in 1981.

58. It is interesting to compare these percentages with those of other United Nations system organizations. Data in a time series are unfortunately not available since UNDP has only recently started collecting and publishing information on support cost expenditures. However, the data appearing in Table 4, extracted from doc. DP/1984/62 Annex II, is sufficient to give an idea of the interagency variations in support cost expenditures. The table shows that for the biennium 1982-1983 all United Nations system organizations 4/ subsidize to a smaller or greater extent support cost expenditures from their regular budgets. ITU's percentage of 17.5 can be usefully compared with that of the other small and medium-sized agencies: IAEA 33.3%, IMO 19.4%, ICAO 16.70%. ITU's figure should also be compared with those of the other Swiss-based agencies: WMO 16%, WIPO 34%, UPU 32%, ILO 27.4%.



3/. Basic information on the support cost issue and data on the deficits incurred by ITU appear also in Annex V to ITU document 6159-E of 16 March 1984

4/. Except UNDP/OPE.

Table 3: ITU Programme Support Costs Evolution 1975-1985 (US\$000)

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
1. Total value of projects implemented by ITU (all sources of funds)	18,838	20,241	17,095	21,615	26,064	33,353	40,293	31,860	28,336	23,558	26,272
2. Income from support costs (all sources of funds)	2,682	2,977	2,465	3,187	3,818	4,421	4,092.6	4,316.0	3,744.7	3,205.4	
3. Regular budget support costs contributions*	600.7	682.2	697.6	1,170.7	1,090.0	948.4	784.0	613.1	708.5	529.9	
4. Support cost deficit	(62.9)	162.1	209.6	463.2	618.5	372.6	530.5	117.7	934.6	1,020.3	411.4
5. Total support cost expenditures	3,219.8	3,821.3	3,372.2	4,820.9	5,526.5	5,754	5,406.1	5,046.7	5,388.8	4,755.6	
6. Ratio of total support cost expenditure to total project expenditure	17.1	18.8	19.7	22.3	21.2	17.2	13.4	15.8	19.0	20.0	

* i.e. support provided from the Department of Common Services to TCD (for translation, reproduction of documents, etc.)

Table 4: Ratio of total agency support cost expenditure to total agency technical co-operation project expenditure for the biennium 1982-1983 (Thousands of US dollar)

	Total support cost expenditure	Total technical co-operation project expenditure	Total expenditure (Col.1 + Col.2)	Ratio (Col.1/Col.2)
	1	2	3	4
FAO	82 452	560 632	643 084	14.7
United Nations	55 365	259 698	315 063	21.3
UNIDO	45 910	169 900	215 810	27.0
ILO	54 184	197 696	251 880	27.4
UNESCO	34 077	203 698	237 775	16.7
UNDP/OPE	10 948	133 717	144 665	8.1
ICAO	18 087	108 234	126 321	16.7
World Bank	8 100*	78 106*	86 206*	10.4*
ITU	11 027	63 025	74 052	17.5
WHO	91 951	649 727	741 678	14.1
UNCTAD	6 972	31 598	38 570	22.0
UNCHS	6 723	30 798	37 521	21.8
AsDB	12 849	68 270	81 119	18.8
WTO	309	1 576	1 885	19.6
ECA	5 679	28 108	33 787	20.2
ESCAP	6 169	29 049	35 218	21.2
ECLA	3 227	16 041	19 268	20.1
ECE	450	2 001	2 451	22.5
ECWA	554	3 757	4 311	14.7
WMO	5 460	34 108	39 568	16.0
IMO	3 682	19 000	22 682	19.4
IAEA	16 112	48 416	64 528	33.3
WIPO	1 975	5 793	7 768	34.0
UPU	1 821	5 682	7 503	32.0
Total	484 083	2 748 630	3 232 713	17.6

Source: document DP71984/62 Annex II

* / Relates only to agency UNDP-financed activities

59. Since 1980 two important events occurred which make the continuation of the above-mentioned practice of additional UNDP reimbursements impracticable if not impossible:

(a) The new conditions relating to support costs reimbursements established by the UNDP Governing Council. Decisions 80/44 and 81/40:

- determine indirectly the income from support costs to the Technical Co-operation budget by establishing the rates of reimbursements;
- exclude the ITU from entitlement to additional payments under flexibility rules;
- prescribe that the ITU cover, from its own resources, any losses in support cost income resulting from an appreciation of less than 11 percent of the Swiss franc against the US dollar.

(b) Although previous International Telecommunication Conventions adopted by the Plenipotentiary Conference in 1952, 1959, 1965 and 1973 did not contain any explicit stipulation enabling the ITU to cover from its own resources the deficit incurred by ITU's participation in the UNDP, the situation has changed since the adoption of Resolution 16 by the last Plenipotentiary Conference (Nairobi, 1982) which specifies that the Union would continue to participate in the UNDP "under the conditions established by the UNDP Governing Council or by other competent bodies of the United Nations system". In addition, the Resolution instructs the Administrative Council "to take into account the decisions of the Governing Council of the UNDP with regard to support cost payments for executing agencies, when establishing the credits required to cover the total administrative and service costs to be incurred as a result of the Union's participation in the UNDP".

60. During the year 1980 to 1984 the ITU accumulated deficit increased to 6.4 million Swiss francs. In 1984 and 1985 the submissions made by the ITU Secretary-General to the UNDP Governing Council for additional reimbursements were turned down: in both cases (decisions 84/31 and 85/45), the Governing Council reconfirmed its prior decision 81/40 which allows no exception in the case of ITU. The 1985 decision was taken despite the fact that a compromise proposal acceptable to both the UNDP and ITU Secretariats had been worked out. On the basis of this proposal the figure agreed upon would have been reduced from 6.4 million Swiss francs for the years 1980-1984 to 1.7 million (or 644,000 US\$) for 1980-1983. "This amount was reached after deduction of both the support cost waivers ITU had agreed during the four years in question and appropriate percentage of support costs attributed to Trust Fund projects over the same period". ^{5/} However, no consensus could be found on this proposal.

61. In addition, there seems to be, or at least to have been, some discrepancy between ITU and UNDP on the correct interpretation of Resolution 16. UNDP's position - as illustrated by the Administrator in document DP/1984/53 of 4 May 1984, para. 35 is as follows: Resolution 16 with effect from 1 January 1984 does not require that UNDP reimbursements should fully cover ITU's costs in supporting UNDP-financed projects and does not preclude partial financing of those costs from ITU's own resources. This is consistent with the situation existing under UNDP's partnership relationship with agencies, most if not all of which provide some financial support from their regular budgets for their UNDP-related technical co-operation activities. UNDP also noted that in paragraph 2 (under "instructs the Administrative Council") of Resolution No. 16 the Administrative Council is required "to take into account the decisions of the Governing Council of the UNDP with regard to support cost payments for the executing agencies, when establishing the credits required to cover the total administrative and service costs to be incurred as a result of the Union's participation in the UNDP."

^{5/} See Addendum 1 to Document 6311-E of 28 June 1985, page 1.

62. In response to this, the Secretary-General of ITU placed the matter before the Administrative Council of ITU in April 1984 which in Resolution 916, on the one hand recognizes that UNDP Governing Council decisions 80/44 and 81/40 "set out the conditions for the reimbursement of support costs to participating organizations" and that "ITU fully subscribes to the concept of partnership in the technical co-operation programme of the United Nations system" but, on the other hand stresses:

(a) "that the ITU as an executive agency operates under particular constraints: such as the Union not having a regular programme of technical assistance other than provision of short-term advisory services on training and technical development and recently the establishment of a Voluntary Programme which is not yet fully operational as well as the location of its Headquarters from which Technical Co-operation activities are administered and unfavourable currency fluctuations;"

and instructs the Secretary-General:

(b) "to continue his negotiations with the UNDP for an agreement on more favourable terms for reimbursement of the administrative and operational services costs incurred as a result of the Union's participation in the UNDP."

63. It is only at its 40th Session (July 1985) that the ITU Administrative Council, drawing the conclusions from the negative response of the UNDP Governing Council to the requests for additional support costs reimbursements, seems to have recognized that as of 1 January 1984 such shortfalls should be borne from ITU's own resources. At its last meeting on 16 July 1985, the Technical Co-operation Committee (Committee 3) of the Administrative Council agreed to the course of action outlined by the Secretary-General, namely that he should continue negotiations with UNDP to secure reimbursement of support costs up to 1983. Thereafter, the ITU would abide by the terms of Resolution 16, and accordingly the Secretary-General was requested to put forward to the Council at its 41st Session "a financing plan to cover the ITU contribution to the management of TCD" (document CA40/6394-E, para. 3.9.).

(ii) Possible solution

64. The Inspector, after having carefully studied the protracted issue of support costs which has existed since 1973, is of the opinion that the time has come to resolve the matter once and for all. The Inspector recognizes that a number of factors, which have been thoroughly discussed in ITU documents (in particular document 6159) and in correspondence between the Secretary-General of ITU and the UNDP Administrator may be seen to militate in favour of additional support cost reimbursements to ITU. These are:

(a) The location of ITU Headquarters. The efficient implementation of a field programme demands a certain volume of support, both technical and non-technical, and the cost of this support will vary depending on the location of the Headquarters of the Agency in the same way as the cost of expert services varies from one duty station to another;

(b) Currency fluctuations. Over the last decade currency fluctuations have almost invariably been unfavourable with regard to support costs received by the ITU in US dollars to cover expenses incurred in Swiss francs;

(c) The absence in the ITU of a regular technical co-operation programme has prevented the Union from fulfilling its partnership role to the same extent as the larger agencies;

(d) The very success of ITU projects financed by the UNDP has taken the Union above the limits of the flexibility rule applicable to small agencies which enables the latter to benefit from support income more comparable with support costs.

In addition, two other factors could be mentioned:

(e) The shortfall in UNDP financing for ITU projects, which fell from

\$33.3 million in 1981 to \$19 million in 1984 and which entailed reductions in the staffing of the TCD (in 1984, 24 out of the 105 posts authorized for the technical co-operation budget were kept vacant); and,

(f) lastly, the decrease in the size and distribution of components within projects - in particular the growing trend towards short term expert missions (see also paras. 13 and 25) - which adversely affect the workload of supporting staff.

65. The Inspector would like to observe that (a) and (b) above also have adverse effects on the other Geneva-based United Nations system organizations, none of which have requested supplementary reimbursements. As for point (c), this is less true than in the past, since as the Secretary-General pointed out in his presentation before the UNDP Governing Council in June 1985, that resources provided from ITU's regular budget in connection with UNDP-financed projects amounted to US\$5.8 million during the period 1974-1983, exclusive of other support (approximately US\$2.6 million per year) devoted to the strengthening of technical co-operation and advice to developing countries.

66. Moreover, the outstanding issue - who should pay the accumulated deficit for the years 1980-1983 - has become an issue of policy rather than one which can be resolved on purely technical grounds. Elsewhere in this report the "separateness" of technical co-operation activities from the other constitutional functions of the ITU has been pointed out (para. 7). The impression is that in the past technical co-operation has often been considered as an activity that is being carried out not so much because the organization has a mandate to do so but as a contractor providing services on the basis of full reimbursement (an illustration of this is the fact that until recently TCD was paying rent to ITU for the office space it occupies in the ITU building).

67. In this connection the Inspector would like to recall that the previous JIU report on ITU technical co-operation activities (JIU/REP/75/9) had already devoted considerable attention to this same issue and after discussing the "federal structure" and the fragmentation of the staff into various distinct specialized secretariats had concluded that it was necessary for ITU to broaden the predominant sectoral approach to telecommunications and adopt a "programme for technical cooperation which should be 'the result of the combined efforts of all the permanent organs of the Union' (para. 142 and Recommendation 2(a)). On the specific issue of support costs the Inspector recommended that "the Union should increase the use of funds from the regular budget, for technical co-operation activities, including the payment of part of the overhead costs" (Recommendation 3(c)).

68. The Secretary-General of the United Nations, commenting on this recommendation, also stated that:

"The Secretary-General is of the view that operational activities and constitutional (regular budget) activities go hand in hand, each reinforcing the other. This being the case, it is only natural that a major part of the substantive staff are engaged, more or less simultaneously, both in providing technical support for operational activities and in performance of the work programme. The Secretary-General would hope that this type of flexible management of resources would find favour with governing bodies, although it implies that substantive staff financed under the regular budget would often work part time on support of operational activities, while the reverse situation, though less common, would also arise from time to time." (Document E/5854/Add. 1, para. 7).

69. The Inspector after having examined all the pertinent documentation sees that further negotiations will shed no new light as to the solution of the issue unless the UNDP and the ITU finally agree to the principle underlying the compromise proposal worked out by the Secretariats of UNDP and ITU that both parties will bear some part of the deficit which could be evacuated over a period of years from savings or from their own resources. It is in this spirit that the Inspector would like to recommend to the UNDP Governing Council to reconsider ITU's request for additional support cost reimbursement claimed for the years 1980 up to 1983 in accordance with the compromise proposal put forward by the Associate Administrator

at the 1985 Session of the UNDP Governing Council. In reconsidering the case, it would be appropriate to bear in mind that:

- the ITU is an executing agency for UNDP projects financed from voluntary contributions from the UNDP budget;
- the same countries contribute to the budgets of the UNDP and ITU;
- the UNDP budget for this year is about US\$80 million or more larger than for 1985.
- money may be saved by the ITU as a result of readjustment of staffing table. As a result, it might be possible to eliminate one or two posts by attrition.

The Inspector is of the view that if the above recommendation is accepted, it will also help to overcome any apprehension against setting a precedent. At the same time, it will confirm ITU's policy as stated in Resolution 16 of the Nairobi Conference and in particular "resolves 1" and "instructs 2" of that resolution.

70. In the event that the Governing Council of the UNDP should confirm its refusal to write off the deficit, the Inspector recommends that the ITU absorbs the accumulated deficit from the Organization's own resources and request the Secretary-General to present a financing plan for absorbing it over a period, for example, of five years. He therefore recommends that a proposal along these lines be submitted by the Secretary-General of the ITU to the 41st session of the Administrative Council.

IV. REVIEW AND EVALUATION

71. In 1977 the JIU prepared a first report on evaluation^{6/} in the United Nations system, which found that little evaluation was being done. Two further JIU reports on evaluation status in 1981, however, found considerable progress in evaluation system development in most organizations. Both the Administrative Committee on Co-ordination (ACC) and the General Assembly strongly endorsed evaluation as an essential, integral management process. The latest JIU status reports on evaluation in the system (JIU/REP/10 and 85/11) found that evaluation is now being used in a more systematic way in almost all the organizations to improve programmes and performance information.

72. The ITU has not been an active participant in this expansion of evaluation use. In 1977 JIU found that only two of 13 organizations surveyed had some type of evaluation system. By 1981, however, 12 of 21 organizations had taken this step, and in 1985 fully 21 of 24 organizations had some type of evaluation system of their own. Of the three organizations without systems, the World Meteorological Organization nevertheless has certain well-established evaluation processes (see below), and the Universal Postal Union (UPU) is presently considering expanding its evaluation activities. While the ITU does have certain evaluation activities, it is thus the only United Nations system organization which does not have or is not developing some type of structured evaluation system of its own.

73. The 1975 JIU report on ITU technical co-operation noted that a basic principle underlying TCD operations since the late 1960s was the desire for better programming and evaluation in accord with UNDP recommendations, but that these important func-

^{6/}. Evaluation, in a definition generally accepted in the United Nations system, is "a process which attempts to determine as systematically and objectively as possible the relevance, efficiency, effectiveness and impact of activities in the light of their objectives", in order to provide analytical information to secretariats and governing bodies to improve current and future programmes.

tions were actually very limited. Each of the three subsequent JIU evaluation status reports has contained essentially the same summary of ITU evaluation activities: ITU has no formal evaluation system of its own, and the Secretariat has not expected that one will be established. Evaluation activity has been confined to the TCD, which meets the evaluation requirements placed on it as an executing agency by UNDP.

74. Both the 1981 and 1985 JIU status reports noted the increasing interest of the Administrative Council and the Plenipotentiary Conference in more closely analyzing ITU technical co-operation activities, restructuring and strengthening operations for more effective performance, and improving the reporting on programme effectiveness and difficulties. Reports of the Secretary-General during the 1982-1984 period have cited the growing scope and complexity of the technical cooperation programme, and the corresponding needs to: (a) ensure effective performance overall; (b) show conclusively that telecommunications contributes to development; and (c) better assess the costs, benefits, effectiveness and appropriateness of the assistance provided on a continuing basis.

75. Despite these recent policy statements, ITU actions have concentrated on further efforts to increase efficiency and strengthen its regional presence, rather than on establishing some type of structured, formal evaluation system to help improve programme effectiveness. The present limited, fragmented design, evaluation and review activities are summarized below.

76. There is presently no staff member in the TCD who is responsible for overall co-ordination and management of evaluation activities. The present UNDP requirements seem to be followed more or less, and ITU technical staff and committees are involved along with TCD staff in various ways in assessing technical co-operation activities. However, there are no specific files, schedules, analyses, lists or reports of review and evaluation action taken, results obtained, and follow-up made. Whatever has been done is found only in the often voluminous individual project files. Thus, the Director, TCD has no one to help him review and evaluate programme implementation on a regular, systematic basis.

77. None of the TCD staff have had any formal evaluation training. This problem could be easily overcome, since agencies such as the ILO (in Geneva) and UNIDO have well-developed project design and evaluation courses available to staff from other organizations both at headquarters and in the field, and UNDP is currently expanding its training efforts in this area.

78. Project design activities are somewhat more clearly established. The new Area Representatives have major responsibilities for identifying critical needs within the sectoral support framework, preparing project proposals and discussing them with UNDP Resident Representatives and government officials, and transmitting them to TCD. At headquarters, a Project Appraisal Committee (PAC), composed of the Chief of TCD and regional division representatives, reviews these proposals and provides a forum for the exchange of ideas for innovative measures and new modalities of project formulation. The Area Representatives then collaborate in preparing the project document at the field level or prepare it themselves if necessary.

79. Once again, however, the Secretary-General reported in 1982 (document No.5816) that, because of the emphasis on project implementation, TCD had been unable to systematically train new project officers in such tasks as analyzing requirements and designing projects. Although considerable attention has recently been devoted to improving project design formats, methodologies and quality in the United Nations system, no ITU staff have yet been trained in this area. In addition, although one of the most important evaluation functions is to feed back evaluation findings to improve the design of future projects, it is not clear that present ITU procedures provide any such feedback except in a very informal way.

80. In 1983 the Secretary-General cited (document no. 5943) an "urgent need for rapid action" to move sectoral support and project supervision, implementation and monitoring functions to the regions for "on-the-spot" support to technical co-operation activities. The new Area Representatives have subsequently been given major responsibilities for periodic monitoring visits to projects, clearing and

following-up on issues raised in project progress and terminal reports, and representing the ITU at tripartite review meetings, which are recognized as the most important joint forum for formally reviewing project progress and making needed changes. Headquarters officers provide day-to-day project monitoring. Whenever possible, particularly for the many projects and countries not covered by an Area Representative, a Headquarters official attends the tripartite meetings, otherwise the project manager represents the ITU.

81. The provisional ITU guidelines for Area Representatives also state that they will normally represent ITU on the tripartite teams for in-depth evaluations of larger projects. In recent years, however, there has only been three or four such evaluations a year, and normally ITU has hired consultants to represent it. This pattern may well continue in the future, since ITU officials observed that the heavy involvement of Area Representatives in project formulation may make it difficult for them to provide the independent, critical examination which in-depth evaluations require.

82. General internal review processes are relatively informal because of the small TCD staff size. The Secretary-General stated in his 1982 report on TCD organization and methods (document no. 5816) that the heavy workload had hindered internal information meetings to discuss experiences and new technologies and procedures, review work tasks and workloads, and systematically assess expert performance. However, he noted that periodic meetings were being held in TCD to review individual project progress and examine overall TCD management matters. The new Area Representatives are required to submit quarterly reports which will eventually include their main activities and achievements during the quarter, new project initiatives, project progress summaries, and future work programmes.

83. Finally, reporting to governing bodies is also relatively informal and diffuse. The annual reports on technical co-operation activities are prepared by the various divisions and then combined. The reports submitted from 1980-1984, including those to the 1982 Plenipotentiary Conference, show only limited and inconsistent discussion of results obtained, problems encountered, and corrective actions being taken. Instead, they focus primarily on brief summaries of initiatives begun, intended objectives, activities underway, meetings held, and project types and titles, supplemented by extensive statistical data on funding levels and sources, ITU inputs, and lists of projects, specialized missions, training courses, seminars, etc. On several occasions, Member State representatives in the Administrative Council have criticized this emphasis on administrative routines and inputs rather than on results and substantive matters. The reports for 1983 and 1984 were modified somewhat, but the new format has essentially only reduced the amount of description and shifted more of the statistics to the annexes.

84. The Inspector does not believe that these reports contain such limited information on results because the Secretariat has nothing positive to say. Rather this shortcoming appears to be due to an old, established mode of reporting which concentrates on inputs and procedural efficiency. However, there are some exceptions to this pattern which point the way to more substantive reporting in the future. A 1982 report to the Plenipotentiary Conference (Annex to document no. 46, pp. 39-40) contained a very informative two pages on the major outputs of CODEVTEL I and the specific findings of a 1981 project evaluation mission. The sections in the annual reports on Training Division/training standards work seem consistently more results-oriented than others, perhaps because of their strong emphasis on systematically improving training methodologies and quality. The 1982 report on the future of technical co-operation (document no. 47, Annex II) summarized a survey of some Member Administrations (34 responses) on TCD project activities, which identified some specific results and achievements, key factors needed for success, some problems encountered and their causes, and corrective actions taken or required.

85. The existing ITU processes, responsibilities, and actions for evaluating technical co-operation activities thus remain quite modest and incomplete. They do not systematically support the governing bodies' stated desire to more closely analyze these activities, ensure effective performance, and improve reporting on

programme results and problems. Two recent developments, however, provide not only additional impetus but also positive examples for a change in this situation: a major emphasis by UNDP on strengthening its tripartite evaluation system requirements, and evaluation processes already in use in other smaller agencies.

86. In 1983 the Administrator of UNDP cited renewed interest by both donor and recipient governments in evaluation as the key management tool to systematically analyze project and programme effectiveness and ensure maximum results from the scarce development resources invested. He recommended that the UNDP evaluation system be re-examined and strengthened to improve compliance and ensure that results are fed back to improve future operations, and observed that this would require a major organizational effort by the executing agencies and UNDP. Revised procedures are now being given a field trial, with full implementation scheduled for late 1986.

87. The new procedures require:

- (a) semi-annual progress reports for all projects with a budget of more than US\$150,000 and a duration of more than one year;
- (b) an annual internal evaluation report by the project managers, using a standard format, for all projects with a UNDP contribution of more than US\$400,000;
- (c) tripartite review meetings concentrating on achievement of the project's objectives at least annually for projects with a UNDP budget of more than US\$400,000 and as needed for smaller projects;
- (d) in-depth, independent evaluation at least once during their lifetime for all projects with a UNDP contribution of more than US\$1,000,000 or for particularly complex, innovative or special projects;
- (e) new follow-up procedures, end-of-project reporting, and other activities to complete an integrated evaluation and feedback system.

88. These new procedures will require that ITU maintain a much more extensive structure of monitoring, evaluation, and reporting. Applying the above criteria to the 129 UNDP-supported projects which ITU had underway in 1984, TCD will be required to produce 100 progress reports, twice each year; 80 internal evaluation and 80 tripartite review meeting reports annually; and about seven in-depth evaluations each year.

89. The purpose of this revised UNDP evaluation structure is not to generate reports for reports' sake. As UNDP emphasizes (and JIU evaluation reports have also stressed) these processes are a quality control mechanism. They are to be actively used and managed to provide a comprehensive system of analysis and feedback which will emphasize progress toward achieving stated objectives, prompt action to identify and correct problems encountered, improved design of future projects, and an orderly flow of results information to programme decision-makers and to governing bodies for programme and policy formulation.

90. At its most recent session, the Governing Council of UNDP reaffirmed (decision 85/4: Programme implementation) the partnership role of United Nations system executing agencies and UNDP, and the Administrator's responsibility for effective use of UNDP resources and for programme implementation. It supported the Administrator's efforts to improve the quality and effectiveness of UNDP-financed projects, and the measures for improving agency performance in project formulation and implementation. The Council also urged governments and agencies to make every effort to streamline their internal processes and mechanisms to ensure speedy implementation of UNDP-financed activities in accord with existing rules and regulations.

91. The 1981 and 1985 JIU evaluation reports concluded that ITU and other small agencies did not need comprehensive evaluation systems of their own, but could adopt evaluation and reporting initiatives used elsewhere. Other smaller, specialized agencies have developed a variety of evaluation activities, beyond UNDP requirements, to improve their programme results and effectiveness, including the following:

(a) International Civil Aviation Organization (ICAO). In 1982 the ICAO Council established a Programme Evaluation Officer post (not yet filled pending UNDP's system revision). Among other actions, ICAO conducted ten consultant missions in 1983 and 14 in 1984 to evaluate carefully-selected regional and country projects, which are reported on annually to the Council.

(b) International Maritime Organization (IMO). In mid-1984, the Council of IMO approved the assignment of evaluation responsibilities to the Director of the Secretary-General's Office. The first IMO evaluations will assess advisory services, the fellowships programme, and selected multilateral-bilateral co-operative assistance programmes.

(c) World Intellectual Property Organization (WIPO). WIPO introduced regional evaluation and planning meetings on its development co-operation activities in all regions during 1984-1985, in co-operation with UNDP. Detailed preparatory documents reviewed evaluation elements and aids for the current programme, the next proposed programme, and provided a longer-term programme perspective.

(d) World Meteorological Organization (WMO). Each year WMO sends a detailed questionnaire to WMO permanent representatives in some 112 countries and to field experts requesting their evaluation of technical co-operation activities. This information forms the basis for the annual review of technical co-operation activities submitted to the WMO Executive Council.

(e) International Trade Centre/GATT (ITC). Although it is a United Nations organization, the ITC has a specialized field (trade promotion), technical co-operation programme size, and Geneva base much like the ITU. In addition to its own project evaluation system, the ITC oversight body - the Joint Advisory Group - selects an ITC programme each year for evaluation by an independent consultant, who submits an in-depth report directly to the JAG analyzing programme scope, resources, implementation, achievements and impact.

92. In summary, the 1985 JIU evaluation reports found many patterns of substantive use of evaluation in the United Nations system organizations to clarify objectives and proposals, identify implementation problems and recommend corrective actions, reorient activities to match changing circumstances and better achieve objectives, and provide better information on results for decision-making and policy formulation. The value of evaluation is shown most directly by the steadily increasing requests from top management users for specific evaluation studies and internal status reports on evaluation findings, and from governing bodies for specific studies and evaluation system strengthening and expansion. Almost all organizations of the system now have regular evaluation reporting to governing bodies, and increasingly active discussions thereon, particularly in their programme or technical co-operation committees.

93. The present time is especially opportune for establishing clear evaluation responsibilities and processes in ITU. As the above experience indicates, an evaluation system is the most appropriate management response to the requests of the Administrative Council and Plenipotentiary Conference for closer analysis, more effective performance, and more substantive reporting on technical cooperation activities. The revised UNDP evaluation procedures provide both specific requirements which ITU must meet as an executing agency, and a ready-made comprehensive evaluation structure for ITU use (ITU has already decided (document No. 6352) to use the UNDP semi-annual progress reporting process for its special voluntary fund projects). Similarly, the evaluation initiatives of other smaller agencies provide additional processes which ITU could adopt.

94. The present scattered review and evaluation activities in TCD, however, do not yet respond adequately to these needs. The most important corrective step which ITU should take would be to appoint a full-time evaluation officer in TCD. This officer could rectify the shortcomings discussed earlier by conducting or arranging for staff evaluation training, ensuring that review and evaluation findings are fed back into project design, and supporting Area Representatives and headquarters officers by co-ordinating and overseeing the functioning of the

revised UNDP monitoring processes. He or she could support in-depth evaluation work, and actually save money by going on evaluation missions rather than using consultants. The officer could also provide orderly internal analysis and reporting on results and findings which is not now done, and prepare or co-ordinate substantive performance reporting to the governing bodies.

95. Most importantly, however, this officer would provide clear-cut evaluation responsibilities and an evaluation focal point within TCD. At present, everyone and therefore no one in the Department is responsible for evaluation work. An evaluation officer, however, would ensure that UNDP's evaluation requirements are being systematically carried out, that quality control of operations and of evaluation is maintained, that evaluation is actually used and followed up on in operational decision-making, and that a specific central point exists to gather, analyze and report on performance information and maintain active professional liaison with UNDP, other agencies, governments and other organizations.

96. Staff resources in TCD are very tight. However, the ACC observed in 1982 that the modest level of resources devoted to evaluation could yield far greater programme benefits than its cost, through direct cost savings, increased effectiveness, and judicious use of available resources among areas of greater or lesser effectiveness. The use of one staff post to systematically assess, co-ordinate and oversee the effectiveness of some US\$20 million of ITU project activities with UNDP alone hardly seems excessive. Whether the evaluation officer is established through redeployment within TCD or as a new post, the Inspector believes this step is essential to properly meet internal and external programme requirements and Member States' needs for a cost-effective, responsive technical co-operation programme.

97. The Inspector therefore recommends that the Secretary-General appoint a full-time professional staff member as evaluation officer in the TCD to implement and oversee the functioning of a monitoring, evaluation and reporting system as required by UNDP's revised processes, and that he also consider adopting some of the additional evaluation and reporting techniques in use in other smaller United Nations system agencies.

V. SOME IMPRESSIONS GAINED FROM THE FIELD VISITS

98. The visits made by the Inspector to a number of developing member countries and his discussions with government officials responsible for telecommunications development programmes in those countries have led to the conclusion that the work of the ITU was highly respected and appreciated.

99. He also noted during the visits that countries were channelling more of their resources towards improving the quality of service and towards the orderly and planned development of their telecommunication networks. Enquiries made by the Inspector indicated that the governments of those countries were more and more aware of the fact that since international assistance is not sufficient to all their needs, financial participation by themselves has become unavoidable. The Inspector observed a number of instances where governments considered certain projects urgent or of top priority, they did not hesitate to request ITU for assistance on a cost-sharing basis or even to provide the entire funding from their own budget.

100. The information obtained by the Inspector also confirmed the changing nature of technical co-operation activity identified in this study, i.e. that there is a growing demand by developing countries for more highly specialized forms of technical co-operation, for relatively more short-term consultants rather than

from long-term resident experts, and for more institutional co-operation.

101. Visits to a selected number of national training institutions enabled the Inspector to assess their effectiveness as instruments of TCDC at the regional and subregional levels. Most of the institutions he visited were found to have the capacity to become focal points for TCDC activities. In a few cases, the institutions had already attained a level of expertise and organization that enabled them to play an effective TCDC role with no more than marginal inputs from the ITU needed. In most cases, however, the institutions still required substantial support to fully develop their TCDC potential.

102. The Inspector was able to see two ITU Area Representatives at work. Their functions were clearly recognized by those with whom they interact. However, he was surprised to learn that none of them was provided with an agency car despite the fact that their work compelled them to be mobile. Instead, they were only provided with a minimum level of allowance which permitted them to visit government's offices by public transportation means. They run on "a shoe string" with office accommodation provided by the host government and a local secretary paid by the agency. Since they are supposed to be the operational arm of the agency in the field, the Inspector believes that this kind of handicap should get more serious consideration by ITU's Headquarters.

103. The Inspector also held discussions on the role of the Centre for Telecommunications Development and its future relationship with the Technical Co-operation Department (TCD) of the ITU. The Inspector shared the perceptions of those who thought that the role of the Centre was unclear, ranging from a funnel for extra funds for technical co-operation to a centre of excellence distributing impartial advice. Like the TCD, there was one possible positive role for the Centre that could be foreseen, namely, in advocating and convincing countries to increase the telecommunications share of their IPFs (which is presently around 2 percent) given the positive developmental impact that such an increase might have. With regard to the future relationship between the Centre and the TCD, the prevailing view was that as long as there are no funds available from the Centre, it is preferable to keep the TCD as it is. With the funds forthcoming, one may consider a merger with the policy functions remaining in the hands of the TCD. 7/

104. The Inspector has, throughout the report, suggested a number of ways in which ITU could improve the development of its work programme, which is expected to lead to a more effective and efficient performance of the ITU technical co-operation. The impressions and experiences of the Inspector gained from the field visits have been fully taken into account when suggestions for this study were being formulated. Most of his suggestions are to be found in the next Chapter.

VI. CONCLUSIONS AND RECOMMENDATIONS

105. As has been stated in Chapter II on Evolution of ITU's technical co-operation (see para. 29), the ITU at present is confronted with a difficult task as far as its technical co-operation is concerned. The expanding and diversifying demands for technical co-operation by the Member States, especially the developing ones, have acquired constant adjustments of ITU's programmes. The orientation towards both short-term missions and new technology integration have made the nature of support more and more complex from the view-point of levels of ITU effort and time. Also the rapid technological change in telecommunications requires of the ITU to keep abreast with the latest equipment, techniques, methodologies, etc. The heavy dependence of the ITU on the UNDP for financing makes it imperative for

7/. These views were also confirmed at Headquarters.

it to keep the evolution of the UNDP programme allocations to countries under review or to adjust its staffing in keeping with the available funds.

106. UNDP-financed projects account for most of ITU's technical co-operation activities. As ITU does not have a regular technical cooperation programme financed from its regular budget, other than a provision for short-term advisory services on training and technical development and a newly established Voluntary Programme, it cannot realize economies of scale in its support costs expenditure in that area. Consequently, it has always been suffering from deficits in its support costs expenditure which as of 1980 were no longer reimbursed by the UNDP (see Decision No. 84/31 of the UNDP Governing Council). This deficit accumulated to a level of over Swiss Francs 6 million for the period 1980 up to 1983 and ITU's request for reimbursement of part of that deficit will be re-considered by the UNDP Governing Council at its 33rd session next June.

107. Despite constitutional and other constraints beyond its control, ITU's achievements in the field of technical co-operation is rated good. Each government official and UNDP Resident Representative with whom the Inspector conferred during his field visits shared this view. Although it can be said that great efforts are being made to rationalize working methods; to improve the quality of project delivery; to contain administrative costs by reductions in the Technical Co-operation Department and related units that are partially funded by support-cost resources; to streamline processes and procedures, the extent to which such efforts can be successful, however, depends in part upon the Member States deciding whether or not the ITU should spend more of its own resources on technical cooperation. The present study has come to the conclusion that the Technical Cooperation Department of the ITU is at present at an irreducible level and that unless a solution can be found to fund the practical minimum of field activities, the Inspector believes that the ITU will not be able to meet its technical co-operation obligations as mandated by its Convention.

108. In view of the above and in order to solve the specific problems identified in the study, which confront the ITU and hinder the Organization from assisting countries in meeting their needs, the Inspector would like to make the following recommendations.

Evolution of ITU's technical co-operation (paras. 7-29)

109. As already stated in paragraph 10, the ITU is involved in a wide range of technical co-operation activities designed to: (a) promoting the development of telecommunications networks of its Member Countries, (b) strengthening the national and administrative services in developing countries, and (c) enhancing the development of human resources for telecommunications, particularly those of the developing countries. Of these three activities the developing countries are most in need of the development of their human resources in order to meet the steadily increasing requirements of their telecommunications services.

110. There is no doubt that the ITU has been active in carrying out this task and in producing interesting reports related to human resource development for communications which have been of great interest to the Member Countries, especially the developing ones. Cooperative undertakings are being undertaken in the context of resolutions which were adopted by the Nairobi Plenipotentiary Conference (1982), but of course the degree of cooperation varies from one country to another. After analysing the evolution of ITU's technical co-operation activities, the Inspector is of the opinion that the sector in the field of telecommunications on which the ITU should continue to lay special emphasis is that of human resources development. The Inspector is aware of the limited possibilities of the ITU to influence the composition of the projects but he is convinced that through its participation in programming and planning, ITU could bring to the attention of the national authorities concerned the necessity of extending a higher priority to human resources development in ITU's technical cooperation and assistance programmes.

RECOMMENDATION 1 (paragraph 27)

(i) It would be desirable if the sector of human resource development for telecommunications could be given a higher priority in the ITU's technical co-operation and assistance programme.

(ii) The ITU Secretary-General may be instructed to propose measures to make better use by the developing countries of the methodologies developed through CODEVTEL, and to prepare the analysis of the Human Resources Development for Telecommunications through technical cooperation activities of the Organization and to present a report on the subject to the next session of the Administrative Council.

Institutional issues (paragraphs 30-39)

111. As has been stated in paragraph 7 the Technical Co-operation Department (TCD) is responsible for carrying out the technical cooperation programme. Although minor refinements have been made with regard to the organizational structure of the Department, the basic principles underlying the present structure have remained unchanged and it remains the structure preferred by Members. The Nairobi Plenipotentiary Conference (1982), by its resolutions 18, 21, 24 and 26, instructed the Administrative Council to improve the whole of ITU's development work so as to enable the ITU to contribute to the development process in the most effective and economic manner possible. Such an undertaking involves the direct or indirect restructuring of the organization and management of the TCD. So far, ITU's actions have been mainly concentrated on furthering efforts to increase effectiveness and to strengthen its regional presence which the ITU Secretariat will continue to pursue pending the decisions the Administrative Council may take on the organization and management of the TCD in application of the relevant resolutions of the Nairobi Plenipotentiary Conference and the recommendations of the Independent Commission on Worldwide Telecommunication Development. In light of the above-mentioned developments, the Administrative Council may consider the following recommendations.

RECOMMENDATION 2 (paragraphs 34 and 39)

(i) To consider the possibility of merging the Regional Divisions into one technical backstopping unit consisting of several desks, and

(ii) to instruct the ITU Secretary-General to set up procedures to ensure the reallocation of functions and responsibilities within this unit and to keep the staffing levels of the TCD in conformity with the programme of work to be carried out and the available funds.

(iii) To instruct the ITU Secretary-General to initiate procedures to ensure some lines of communication between the Senior Regional Representatives and the Area Representatives.

Participation in programming and planning (paragraphs 40 to 47)

112. In paragraph 40 of the present report, reference was made to the JIU Report (JIU/REP/75/9) which noted the need to study the various procedures whereby the ITU could participate more directly in the development programming particularly bearing in mind that the United Nations was moving away from "project" concept towards "programme" concept. The Inspector is of the opinion that the observation made in that JIU Report (JIU/REP/75/9) still remains valid.

RECOMMENDATION 3

To invite the Administrative Council to consider the recommendation of the JIU advanced in the above-mentioned document in further detail and to instruct the ITU Secretary-General to submit proposals to the Administrative Council on the possible funding and staffing for the initiation of a study on the alternative approaches to the preparation of an integrated programme of technical co-operation.

Substantive and administrative support (paragraphs 48 to 52)

113. If one gets the impression from reading the paragraphs on substantive and administrative support in the present report that the Inspector considers the back-stopping service provided by the ITU's Technical Co-operation Department to its field staff as satisfactory, then he is correct. This view was confirmed by the discussions he had with the officials concerned during his field visits. The Inspector also believes that the revised version of the Manual of Procedures and Guidelines covering the duties, procedures and working arrangements for Area Representatives has been developed satisfactorily and that it is of general benefit. Nevertheless, some thoughts on possible improvements in this section are offered below.

RECOMMENDATION 4 (paragraph 51 on Area Representatives)

In order to assist Area Representatives to more effectively discharge their duties, it would be appropriate for the ITU to consider the possibility of providing them with an agency car or with additional funds for their inland transportation so as to make them more mobile in meeting their obligations to the countries they serve.

RECOMMENDATION 5 (paragraph 52 on experts)

(a) As far as the recruitment of experts and consultants is concerned, the procedures whereby only applications forwarded through the administrations are taken into account constitutes a certain restriction which may not always be conducive to the recruitment of the best available talents. It may be removed at least for short-term posts (e.g. less than 12 months).

(b) The wider distribution of Vacancy Notices needs to be ensured. At present, these are generally sent to one point in the Telecommunication Administration where delays occur in disseminating information to qualified candidates.

(c) For very short-term posts (one to two months), the standard procedure for expert selection should not be insisted upon. Flexibility should be left to the Regional Divisions/Chief of TCD.

RECOMMENDATION 6 (paragraph 52 on fellowships)

(a) Wherever possible, countries should be encouraged to directly negotiate the programme and final authorisation before it is issued by the ITU.

(b) To organize a comprehensive study to evaluate the effectiveness of the fellowship programme and how to make it more effective.

RECOMMENDATION 7 (paragraph 52 on equipment procurement)

(a) Guidelines on equipment procurement should be revised and more widely circulated both at Headquarters and in the field.

(b) The procedures of the Equipment Selection Panel should be more precisely described so that ITU expatriate and counterpart staff in the field become more acquainted with these procedures.

(c) Consideration should be given to introducing a waiver to the rule that purchase of even the smallest items requires prior authorization from Headquarters.

The problem of the accumulated deficit (paragraphs 53-70)

114. The question of principle has been resolved, that is, ITU accepts to fully apply Resolution 16 as of 1 January 1984 and to cover any future deficits that may arise. The Secretary-General has been requested to present a funding plan at the forthcoming session of the ITU Administrative Council.

115. The Inspector after having examined all the pertinent documentation sees that further negotiations will shed no new light as to the solution of the issue unless the UNDP and the ITU finally agree to the principle underlying the compromise proposal worked out by the Secretariats of UNDP and ITU that both parties will bear some part of the deficit which could be evacuated over a period of years from savings or from their own resources.

RECOMMENDATION 8 (paragraphs 69 and 70)

(i) The Inspector would like to recommend to the UNDP Governing Council to reconsider in the above spirit ITU's request for additional support cost reimbursement claimed for the years 1980-1983 in accordance with the compromise proposal put forward by the Associate Administrator at the 1985 Session of the UNDP Governing Council and consideration made by the Inspector in paragraph 69.

(ii) In the event that the Governing Council should confirm its refusal to write off the deficit, the Inspector recommends that the accumulated deficit is paid from ITU's own resources. The Secretary-General should also be instructed to present a financing plan to absorb this deficit over a period of time and to submit it to the next session of the Administrative Council. The shortfall in subsequent years is a matter to be covered by Resolution 16 of the Nairobi Conference.

Review and evaluation (paragraphs 72-98)

116. Almost all other organizations of the United Nations system have established and are actively using some form of evaluation system. However, the calls by the Administrative Council and the Plenipotentiary Conference for close analysis, more effective performance, and more substantive reporting of ITU technical co-operation activities have not yet yielded results. The TCD continues to have only a modest and incomplete set of review and evaluation processes.

117. UNDP, however, is substantially revising and strengthening its monitoring evaluation and reporting requirements as an integrated system of analysis and information feedback. This new system will require much more concentrated attention to review and evaluation processes by ITU as an executing agency.

118. Other smaller specialized agencies have also developed evaluation initiatives which ITU might make use of.

RECOMMENDATION 9 (paragraph 98)

The Secretary-General should appoint a full-time professional staff member as evaluation officer in the TCD to implement and oversee the proper functioning of a monitoring, evaluation and reporting system as required by UNDP's revised processes. He should also consider adopting some of the additional evaluation and reporting techniques in use in other smaller United Nations specialized agencies.

International Telecommunication Union,
Administrative Council,
40th Session, Geneva, July 1985

R No.930 REVIEW OF THE OVERALL MANAGEMENT AND OPERATION OF TECHNICAL COOPERATION
ACTIVITIES BY THE JOINT INSPECTION UNIT (JIU)

The Administrative Council,

bearing in mind Resolution No. 38 of the Plenipotentiary Conference,
Nairobi (1982), concerning acceptance by the ITU of the statute of the Joint
Inspection Unit (JIU);

considering Resolution No. 31 of the Plenipotentiary Conference, Nairobi
(1982), which calls for a review of the overall management and operation of Union
activities in the field of technical cooperation and assistance;

recalling that the Administrative Council was instructed

1. to request, at minimum feasible cost, an independent study team to conduct such a review;
2. to direct the team to submit its final report and recommendations to the 1985 session of the Council;
3. to direct the team to consider all aspects of the Union's activities which promote technical cooperation and assistance to developing countries, particularly those not reviewed in the Secretary-General's report;
4. to direct the team to recommend any changes in the staffing and operation of these activities which would increase their effectiveness;
5. to consider the final report and recommendations of the team and to forward these to Members, together with its own conclusions;
6. to take such action on the recommendations as it considers appropriate;
7. to report on this subject to the next Plenipotentiary Conference;
8. decides that the Joint Inspection Unit (JIU) be requested to conduct a review of Union activities which promote technical cooperation and assistance to developing countries;

decides further

1. to request the JIU to consider the programmes and finances of the activities of the Union that promote technical cooperation and assistance to developing countries;
2. to request the JIU to assess the causes of the deficit incurred in the support of these activities;
3. to request the JIU to submit by April 1986 the report on its findings and recommendations, through the Secretary-General, to the 1986 session of the Administrative Council;

instructs the Secretary-General

1. to transmit this Resolution to the JIU;
2. to assist the JIU to carry out its mandate as called for in this Resolution;
3. to present his comments on the JIU report to the 1986 session of the Administrative Council.

RESOLUTION NO. 21

Review of the Overall Management and Operation of
Technical Cooperation and Assistance Activities

The Plenipotentiary Conference of the International Telecommunication Union (Nairobi, 1982),

considering

a) the need to maximize the use of resources devoted to technical cooperation and assistance;

b) the increasing needs of the developing countries for technical cooperation and assistance;

c) the recent changes in the structure of assistance from the United Nations Development Programme;

d) the need to achieve an integrated work programme for the various technical cooperation and assistance activities;

e) the recommendations of the Administrative Council in its separate report on the Future of ITU Technical Cooperation Activities (Document No. 47);

f) the Secretary-General's Report on the Organization and Methods of the Technical Cooperation Department (Document No. 5816/CA37 of the Administrative Council);

keeping in mind

a) that it adopted several resolutions describing various activities and objectives in the field of technical cooperation and assistance;

b) that the most integrated possible expansion of national telecommunication networks in developing countries is necessary;

c) that technical cooperation and assistance should enhance the implementation of appropriate technology in developing countries;

d) that transfer of technology and knowledge should promote self-reliance in planning, operations and maintenance, including the production of telecommunication equipment;

e) that the application of new technologies, if implemented at the right development stage, may be beneficial to developing countries, provided that due consideration is given to its effective technical and economic integration with the existing system;

recognizing and appreciating

a) the valuable service rendered to Members of the Union by the Technical Cooperation Department;

b) the efforts of the Secretary-General to implement many of the recommendations contained in his Report;

decides

1. to undertake a review of the overall management and operation of Union Activities in the field of technical cooperation and assistance;

2. to adapt the management and operations of the Union's permanent organs so as to carry out the technical cooperation and assistance programmes using available resources in the most efficient and cost-effective possible way;

instructs the Administrative Council

1. to establish, at minimum feasible cost, an independent study team to conduct such a review;
2. to direct the team to submit its final report and recommendations to the 1985 session of the Council;
3. to direct the team to consider all aspects of the Union's activities which promote technical cooperation and assistance to developing countries, particularly those not reviewed in the Secretary-General's report;
4. to direct the team to recommend any changes in the staffing and operation of these activities which would increase their effectiveness;
5. to consider the final report and recommendations of the team and to forward these to Members, together with its own conclusions;
6. to take such action on the recommendations as it considers appropriate;
7. to report on this subject to the next Plenipotentiary Conference;

invites Members of the Union

to cooperate fully in the activities of the study team and assist the Administrative Council in conducting this review, and in particular, to make available to the Council and the study team qualified experts in management and other relevant fields to assist in the review at no cost to the Union;

instructs the permanent organs

to afford the study team all assistance required for the successful completion of the review.

