



Report on the decentralization of United Nations economic, social and related activities and the strengthening of the regional economic commissions

by

S. Ilić, C.S. Jha and A.F. Sokirkin

Joint Inspection Unit

**Geneva
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N.B. Some chapters or sections contain sub-conclusions that relate to the whole chapter or section. In order to single them out, these sub-conclusions are preceded by * * *.

I. INTRODUCTION

1. This report deals with the question of decentralization of the economic, social and related activities of the United Nations. This has long been the object of attention in the General Assembly and the Economic and Social Council which have adopted numerous resolutions on the issue. The regional economic commissions^{1/} and the executive secretaries, on the occasion of their periodic meetings, have likewise repeatedly urged that the commissions be given greater authority, further operational responsibilities and appropriate resources to carry out their tasks.

2. In their reports on the commissions^{2/} the Inspectors touched upon the question of decentralization in the context of making them more effective and action-oriented and suggested various measures to enable them to function as the regional arms of the United Nations. The present study represents a continuation of the Inspectors' earlier investigations.

3. The problem of the role and functions of the commissions within the context of the United Nations Organization itself is one that needs to be resolved on its own merits, i.e. irrespective of any structural reforms of the United Nations system as a whole. Indeed, if the commissions are to be in their respective regions the "main general economic and social development centres" within that system, as is re-affirmed in ECOSOC resolution 1756 (LIV), it is necessary to clarify their precise functional position within the framework of the United Nations proper. Unless this position is clearly defined on the basis of an appropriate distribution of authority, functions and resources between Headquarters and the commissions, it would not be possible for these to play the larger role envisaged by the Economic and Social Council and the General Assembly.

4. Some of the statistical and factual information required for this study was obtained through extensive research by and discussions with representatives of the various Headquarters and regional offices concerned. The Inspectors wish to express their appreciation to all those who gave of their time.

^{1/} Referred to hereinafter also as "the commissions".

^{2/} ECA: E/4733 (1968); ECAFE: E/4781 (1969); and ECLA: E/4935 (1970).

II. BACKGROUND OF THE ISSUE

5. Virtually from the outset it was recognized in the United Nations that many problems connected with economic and social development and co-operation could best be tackled from a closer vantage-point than an often distant Headquarters office and that a more or less substantial degree of deconcentration or "decentralization" of economic, social and related activities was not only desirable but inevitable.

6. In the United Nations such decentralization took the form of regionalization, i.e. the establishment of regional economic and social offices, the so-called "regional economic commissions" and UNESOB.^{3/ 4/}

7. Implicit in the creation of these bodies was not only recognition that United Nations Headquarters in New York, could not deal with all economic, social and related problems of Member States in all parts of the world, but also an admission of the fact that in matters of economic and social co-operation and development, each region and sub-region had its distinct and different characteristics and problems which the commissions were the most suitable instruments to tackle. Lastly, their broad mandate was evidence of the desire of the Member States that the commissions should function in their respective regions over the whole range of economic and social activities.

8. Like so many other areas of United Nations activity, the commissions' responsibilities have developed spontaneously. In the beginning, the collection and analysis of statistical and other data on economic matters was their prime task. But they were also able to stimulate in the countries of their regions interest in economic planning and development and to provide a catalytic impulse for bringing about regional and sub-regional groupings such as, to cite a few examples, the

^{3/} 1947: ECE and ECAFE; 1948: ECLA; 1958: ECA; 1963: UNESOB (re-organized as ECWA in 1973).

^{4/} Although it goes without saying that many of their comments and suggestions apply to the secretariats of the regional economic commissions, for the sake of convenience the Inspectors refer almost invariably to "the commissions", it being understood that this term is used in its broadest sense, i.e. including the regional secretariats.

Latin American Free Trade Association (LAFTA), the Caribbean Free Trade Association (CARIFTA), the Central American Common Market, the Andean Group, in the Latin American region; and in establishing or supporting regional institutions like the Development of the Mekong Basin in Asia and the African Development Bank in the latter region; as in creating sub-regional groupings around particular commodities such as rice, coconut, etc. in Asia.

9. Admittedly, owing to various factors which need not be gone into here the commissions have not followed an identical pattern of evolution. Some have traditionally concentrated on certain types of activity rather than others and have acquired considerable expertise and experience in these; others are more advanced and have a longer performance record in other fields. This accounts to some extent for the commissions' different organizational structures, as well as for those of the various offices within their secretariats.

10. With the increasing importance in the early sixties of development activities generally and of United Nations participation in them, the movement towards still greater decentralization, with a corresponding increase in the commissions' responsibilities, resources and staff, gained momentum, culminating in the adoption of ECOSOC resolution 793 (XXX) in 1960 and of General Assembly resolutions 1518 (XV) in 1960 and 1709 (XVI) in 1961. In these and subsequent resolutions both the Council and the Assembly not only proclaimed and then re-affirmed decentralization to the commissions to be United Nations policy, but also prescribed criteria and described or invited concrete measures for the implementation of this policy.

11. Thus, on the general principle of decentralization the Council and the Assembly stated that "while certain matters relating to operational activities require consideration and action on a global basis"^{5/} and while Headquarters should retain "central substantive functions, including policy guidance and co-ordination"^{6/}, the role of the commissions was "not limited to studies and deliberations"^{7/}; that they

^{5/} ECOSOC 823 (XXXII) (1961).

^{6/} GA 1709 (XVI) (1961).

^{7/} GA 1518 (XV) (1960).

had "an increasingly important role to play in the initiation, implementation and co-ordination of economic and social programmes and activities at the local level, including appropriate technical assistance projects"^{8/} and that they were indeed "key instruments".^{9/}

12. For his part, the Secretary-General was requested "to draw as fully as possible on the commissions especially in the planning and execution of programmes for advancing regional development" and to "encourage and intensify their co-operation among themselves through their executive secretaries"^{10/}; "to make every effort to strengthen the secretariats" of the commissions^{11/} through re-assignment or additional recruitment, and to establish, at the discretion of the executive secretaries, so-called "Technical Assistance Co-operation Units" within the regional secretariats^{12/}; to submit an account of "the administrative and organizational measures and changes" adopted and required to advance the process of decentralization^{13/}; to strengthen "without delay" the commissions through increased delegation of substantive and operational functions and responsibilities and the provision of adequate resources (including personnel)^{14/}; to take "immediate steps towards the full implementation of the policy of decentralization" through administrative methods, to enable the commissions "to discharge fully their responsibilities as executive instruments for the programme of technical co-operation"^{15/}; to report thereafter annually on the progress of decentralization^{16/} and, lastly, "to accelerate the continuing implementation of the policy of decentralization and strengthening" of the commissions and to submit a comprehensive report on the whole question to the Council and the Assembly in 1965.^{17/}

^{8/} ECOSOC 793 (XXX) (1960).

^{9/} ECOSOC 823 (XXXII) (1961).

^{10/} ECOSOC 793 (XXX) (1960).

^{11/} GA 1518 (XV) (1960).

^{12/} ECOSOC 823 (XXXII) (1961).

^{13/} ECOSOC 823 (XXXII) (1961).

^{14/} GA 1709 (XVI) (1961).

^{15/} GA 1709 (XVI) (1961).

^{16/} ECOSOC 955 (XXXVI) (1963).

^{17/} GA 1941 (XVIII) (1963).

13. Finally, the commissions themselves were invited or urged to "strengthen" and "further to develop closer co-operation among themselves in their substantive and operational activities"; to exchange experience, "particularly regarding the operation of decentralized activities" and to report thereafter annually on the meetings of their executive secretaries to the Council and the Assembly.^{18/}

14. The Secretary-General's 1961 report to the sixteenth session of the General Assembly - a consensus between the United Nations Secretariat, the executive secretaries and the ACC - sketched the outlines of the existing division of labour between Headquarters and the commissions. According to this report, (1) decentralization meant: (a) the appropriate delegation of substantive and administrative responsibility and authority, and (b) the provision of the necessary staff and resources; (2) though decentralization was not an end in itself and its success could only be judged according to its practical usefulness, and though the process of decentralization was a continuing one, with a gradual turnover of projects to the commissions as their substantive and administrative units were built up, wherever existing constitutional or institutional situations hampered the evolution towards decentralization, proposals for changes should be made (A/4911).

15. However, when in 1965 the Secretary-General (E/4075), the ACABQ (A/6114) and the then Administrative Management Service (AMS) of the Office of the Controller took stock of the situation - this, incidentally being the first and last time, prior to the Inspectors' present study, that the issue of decentralization was studied as such - though some progress could be recorded, it was far less marked or rapid than might have been expected, bearing in mind the letter and spirit of the aforementioned legislative decisions. Moreover, also in the case of activities that were purportedly "decentralized", most of the steps taken could hardly be regarded as such even in the light of the criteria listed by the Secretary-General in his above-quoted report to the General Assembly (A/4911), but represented at best the delegation of limited responsibilities in connexion with certain types of projects for which most of the authority, responsibilities and, especially, resources were retained by Headquarters.

16. It is clear from the above that (a) Member States have recognized the commissions as the regional arms of the United Nations, have consistently favoured decentralization of activities, both substantive and operational, to them in large areas related to

^{18/} GA 1518 (XV) (1960), 1709 (1961), 1823 (XVII) (1962).

economic and social development and technical co-operation and have urged increasing devolution of authority, functions and resources to them to this end; (b) there has been a great deal of slowness and some resistance to such decentralization and devolution on the part of Headquarters offices.

17. The years 1965-1966 marked to some extent the highwater point of any deliberate effort towards the decentralization of United Nations economic, social and related activities. Since then, although both the Council and the General Assembly^{19/}, not to mention the commissions themselves, have continued to press for an increased involvement of the commissions in such activities, there has been very little progress towards any meaningful decentralization of United Nations economic, social and related activities. Moreover, where or when it has, in theory, occurred, it has involved in all too many cases little real devolution of authority, responsibilities and, especially, resources; nor has it led to any substantial deconcentration - whether permanent or even temporary - of staff from the various Headquarters offices to the field. Indeed, barring the establishment of UNCTAD and UNIDO, there has been, on the contrary, a steady build-up in recent years of activities - and related resources - at Headquarters, mainly because of the increasing importance of extra-budgetary funding of United Nations programmes. As a result, the commissions have not only kept pace with the growth of United Nations activities generally, but have in fact, declined in importance.

^{19/} See ECOSOC resolutions 1440, 1441 and 1442 (XLVII) (1969); 1530, 1553 and 1555 (XLIX) (1970); 1601 (LI) (1971); 1724 (LIII) (1972); 1756 (LIV) and 1817 and 1818 (LV) (1973). General Assembly resolutions 2563 (XXIV) (1969); 2626, 2684, 2687 and 2688 (XXV) (1970); and 2803 (XXVI) (1971).

III. SCOPE AND PARAMETERS OF THIS STUDY

18. Though now an accepted part of United Nations terminology, the word "decentralization" is not a precisely-defined concept but a generic term that can mean many things, from mere increased consultations with, and participation of a regional office in activities for which Headquarters retains ultimate responsibility, both financial and administrative, or the temporary or long-term relocation of some staff or services, to the full devolution of executive, financial and administrative authority within defined limits or spheres.

19. Although the General Assembly has invariably insisted on preserving a balance between Headquarters and the field and has acknowledged repeatedly that some functions are still better performed centrally, the adopted legislative texts on decentralization place the accent on devolution.

20. Indeed, prima facie, it does not seem practical that the vast range of United Nations activities should all be carried out from a single global point thousands of miles away from the scene of these activities. Economic and social problems relating to development have usually a local or regional content and significance and many of these can best be treated from the vantage point of the regional economic commissions, without detracting from the global responsibility which must rest with Headquarters. Furthermore, decentralization to the commissions creates a greater sense of participation by the countries of the regions, which are the ultimate beneficiaries of all United Nations efforts. This, in turn, no doubt, is conducive to greater efficiency and increased international co-operation.

21. On the other hand, in any large organization like the United Nations total decentralization in the sense of the constituent parts exercising complete autonomy without policy guidance from the centre, would be as undesirable and impracticable as total concentration of authority and resources at Headquarters.

22. As the Inspectors see it, therefore, decentralization does not mean unco-ordinated and unrelated activity by the centre and the regional offices; nor does it mean the removal of authority from Headquarters by any formal legislative act or declaration. What it does mean, in their opinion, is a fanning out of activities on a co-ordinated and rational basis, namely:

- (a) a balanced co-ordination of activities so that priorities for action are based on clearcut and rational apportionment of responsibilities between the centre and the regions;

- (b) adequate division of authority so that regional or sub-regional problems are best tackled and interests best served from the vantage point of proximity to problem areas, and
- (c) the decentralization of all work that can best be carried out in the regions without incurring a substantial increase in expenditure, through a division of labour between Headquarters and the commissions along the lines given above, accompanied by feed-back from both sides.

23. Needless to say, in practice, within the framework of these principles the pattern of decentralization may have to vary somewhat from one region to the next to take account of the characteristics of each, and the needs of the countries within each region.

24. This being said, for the purpose of this study the Inspectors have worked on the premise that a programme can be regarded as "decentralized" only to the extent that it entails full devolution of executive, financial and administrative authority to the commission concerned, within the limits laid down by past legislative decisions and without detriment to ultimate guidance and control by Headquarters.

IV. THE EVOLUTION OF UNITED NATIONS EXPENDITURE ON ECONOMIC, SOCIAL AND RELATED ACTIVITIES

25. In order to gauge the past, present and, possibly, future role of the regional economic commissions within the overall context of United Nations economic, social and related activities, it is necessary to examine briefly the evolution of expenditure on these activities during the past few years.

26. In 1973 total United Nations^{20/} estimated expenditure on economic, social and related activities financed from all sources of funds amounted roughly to US\$ 205.2 million (see Table 1).

27. These activities (as presented in the latest budget document A/9006) are financed from two sources: (i) the regular budget; and (ii) the "Operational programmes" (i.e. the former UNDP component; funds-in-trust; and so-called "other budgetary resources"^{21/}). However, since one of the two components of the regular budget, i.e. UN/TA, goes likewise to finance operational activities, to have an exact idea of how much United Nations money is being spent on technical co-operation, this component is included in Table 1 under "Operational activities".

28. As Table 1 shows, overall United Nations expenditure on (or appropriations or estimates for) economic, social and related activities increased between 1970 and 1973 by roughly 59 per cent.^{22/} Funding for operational activities increased almost twice as fast as in the case of non-operational activities. These operational activities were funded to a growing extent by extra-budgetary resources. Moreover, within the context of these extra-budgetary resources, an increasingly important role was played by the so-called "other extra-budgetary resources".^{23/}

^{20/} i.e. United Nations, UNCTAD and UNIDO.

^{21/} i.e. Special purpose funds and bilateral contributions in cash or kind.

^{22/} In the Tables that follow, the figures take no account of rising costs and are therefore merely indicative of the real value of programmes.

^{23/} The latest budget document (A/9006) distinguishes between the two main types of United Nations activities ("Regular budget" versus "Operational programmes") according to the origin of funds. Since extra-budgetary resources pay also for posts under the regular programme, this distinction should be accepted with due reservations.

Table 1

United Nations^{a/} expenditure on economic, social
and related activities b/ 1970-1973 (all sources of funds)
(in \$ thousands)^{c/}

<u>Type of activity</u>	<u>1973^{d/}</u>	<u>1972^{e/}</u>	<u>1971^{f/}</u>	<u>1970^{f/}</u>
(1) <u>Non-operational activities^{g/}</u>	<u>79,332</u>	<u>77,410</u>	<u>66,012</u>	<u>56,955</u>
(2) <u>Operational activities</u>				
(a) <u>UN/TA</u>	<u>8,957</u>	<u>8,870</u>	<u>6,996</u>	<u>7,047</u>
(b) <u>Extra-budgetary resources</u>				
(i) UNDP component/funds-in-trust	98,616	79,717	70,143	58,720
(ii) Other extra-budgetary resources	18,283	12,761	9,139	6,234
<u>Sub-total (i) and (ii)</u>	<u>116,899</u>	<u>92,478</u>	<u>79,282</u>	<u>64,954</u>
<u>Sub-total operational activities (a) and (b)</u>	<u>125,856</u>	<u>101,348</u>	<u>86,278</u>	<u>72,001</u>
<hr/>				
(3) <u>Total all activities:</u>	<u>205,188</u>	<u>178,758</u>	<u>152,290</u>	<u>128,956</u>

a/ Including UNCTAD and UNIDO; excluding HCR.

b/ All activities in economic, social and human rights fields, excluding "Material assistance to refugees" and related "Administrative and common costs" (see Budget Estimates for 1972 (A/8406) and 1973 (A/8706), Table B and schedules).

c/ Net of staff assessment.

d/ Estimates.

e/ Appropriations.

f/ Expenditure.

g/ See fn. b/ above; excluding UN/TA.

Source: Secretariat (ESA/OFS).

29. Until 1973 the activities quantified in Table 1 were conducted, i.a., under the following eleven main headings: "Development Planning, Projections and Policies"; "Housing, Building and Planning"; "Industrial Development"; "International Trade"; "Population"; "Public Administration"; "Public Finance and Financial Institutions"; "Resources and Transport"; "Science and Technology"; "Social Development" and "Statistics".^{24/} All these activities involved both Headquarters offices^{25/ 26/} and one or several (or in one case, all) of the regional economic commissions.

30. The degree of financial involvement of the various Headquarters and regional offices in the above-listed eleven selected activities, the professional manpower available there to carry them out and the relative importance of the various sources of financing are illustrated in Annexes I to XIII and will be analysed in detail in section 3 of Chapter V of this report.

^{24/} The Inspectors have noted (as did the CPC before them) that in the budget estimates for 1974-1975 (A/9006) no logical or consistent order is followed in the various tables in listing these activities. This complicates quite unnecessarily their identification. In this study, the Inspectors follow the alphabetical order.

^{25/} For the purposes of this study the expression "Headquarters offices" denotes, generically, any or all of the following: the United Nations Secretariat in New York and/or Geneva; the UNCTAD secretariat in Geneva and the UNIDO secretariat in Vienna.

^{26/} In addition, the United Nations were active in such fields as:

(i) Agriculture Development; Timber and Forestry, in which solely the regional commissions were involved but not ESA, and for which there was no UN/TA allocation;

(ii) Human Rights and Narcotic Drugs, which involved ESA and the United Nations Office at Geneva and for which there was a UN/TA allocation but which did not involve the commissions;

and lastly,

(iii) Material Assistance and Protection of Refugees; Assistance in Cases of Natural Disaster, and others, for which there was likewise a UN/TA allocation, but which involved neither ESA nor the commissions, but other offices. Since these activities are not directly germane to the issue of decentralization, they will not be gone into in detail in this report.

31. In 1972^{a/} expenditure on these eleven activities totalled roughly US\$ 134 million. The relative importance of expenditure in the individual fields was as follows:

<u>Activity</u>	<u>Total expenditure b/ c/</u>	<u>Regular budget b/ c/</u>	<u>% of total</u>	<u>Extra-budgetary resources b/</u>	<u>% of total</u>
1. Resources and transport	<u>31,078</u>	3,747	12.1	27,331	87.9
2. Industrial development	<u>30,998</u>	7,840	25.3	23,158	74.7
3. Development planning, projections and policies	<u>17,725</u>	5,638	31.8	12,087	68.2
4. International trade	<u>11,663</u>	6,630	56.8	5,033	43.2
5. Social development	<u>9,827</u>	4,021	40.9	5,806	59.1
6. Statistics	<u>9,134</u>	4,657	51.0	4,477	49.0
7. Housing, building and planning	<u>7,662</u>	1,495	19.5	6,167	80.5
8. Public Administration	<u>7,613</u>	1,520	20.0	6,093	80.0
9. Population	<u>4,938</u>	1,170	23.7	3,768	76.3
10. Public finance and financial institutions	<u>2,847</u>	760	26.7	2,087	73.3
11. Science and technology	<u>602</u>	602	100.0	-	-
	<u>134,087</u>	<u>38,080</u>	<u>28.4</u>	<u>96,007</u>	<u>71.6</u>

a/ The last year for which expenditure figures are available.

b/ In \$ thousands.

c/ Including UN/TA.

Source: Secretariat (ESA/OFS); UNCTAD and UNIDO secretariats.

32. The above figures highlight the preponderant role of extra-budgetary resources - an average of 71.6 per cent of all expenditure, but ranging in the case of individual activities from 43.2 to 87.9 per cent.

33. The regional commissions' share of these expended funds^{a/} followed in 1972 a somewhat different pattern:

	<u>Total REC expen- diture</u>	<u>% of total UN expendi- ture</u>	<u>Regular budget</u>	<u>% of total REC's</u>	<u>Extra- budgetary resources</u>	<u>% of total REC's</u>
1. Development planning, projections and policies	<u>7,758</u>	43.8	2,601	33.5	5,157	66.5
2. Resources and transport	<u>4,349</u>	14.0	1,938	44.6	2,411	55.4
3. Statistics	<u>2,541</u>	27.8	1,602	63.0	939	37.0
4. Social development	<u>2,070</u>	21.1	573	27.7	1,497	72.3
5. Population	<u>1,481</u>	30.0	149	10.0	1,332	90.0
6. Industrial development	<u>1,309</u>	4.4	1,130	86.3	179	13.7
7. International trade	<u>1,182</u>	9.7	1,079	91.3	103	8.7
8. Housing, building and planning	<u>380</u>	5.0	265	69.7	115	30.3
9. Public Administration	<u>272</u>	3.6	93	34.2	179	65.8
10. Science and technology	<u>205</u>	34.1	205	100.0	-	-
11. Public finance and financial institutions	<u>123</u>	4.3	74	60.2	49	39.8
	<u>21,670</u>	<u>16.2</u>	<u>9,709</u>	<u>44.8</u>	<u>11,961</u>	<u>55.2</u>

^{a/} In \$ thousands excluding UN/TA.

Source: Secretariat (ESA/OFS): UNCTAD and UNIDO secretariats.

34. Although less marked than in the case of total expenditure and although it differs considerably from one activity to the other (from a low 8.7 to a high 90.0 per cent), the average importance of extra-budgetary resources (55.2 per cent) even in the case of the commissions is again worthy of note.

35. While such funds are to be welcomed, little is often known about them and they are mostly only inadequately reflected in official programme and budget documents; moreover, the uses to which they are put may not necessarily correspond to established high priorities.

V. THE RESPECTIVE ROLES OF HEADQUARTERS (ESA) AND THE REGIONAL ECONOMIC COMMISSIONS IN SELECTED ECONOMIC, SOCIAL AND RELATED ACTIVITIES

36. Both at the various Headquarters' offices and in the regional economic commissions the main work is traditionally broken down into the following broad categories:

- programme formulation and direction;
- participation and servicing of meetings;
- research and studies; and
- backstopping of technical co-operation activities.

37. The Inspectors found that it was not possible in practice to ascertain what proportion of resources, in terms of funds and professional manpower, was available for this or that category of activities. The following two sections of this chapter, therefore, will be devoted merely to a description of the two main categories described above, i.e. research and studies and the backstopping of technical co-operation activities. The overall resources picture for the totality of all the above categories of activities will be analysed in the last section of the chapter.

(1) Research and studies

38. Because of the accent placed in recent years throughout the United Nations system on technical co-operation activities, the fact is sometimes overlooked that even at the various United Nations Headquarters offices - with the possible exception of UNIDO - substantive work (research, studies, surveys, compilation and analyses of statistical data and publications based thereon, etc.) which is financed by and large under the regular budget, still constitutes a major part of that office's responsibilities^{27/}.

^{27/} For example, of the 250 basic activities listed in document E/5329, dated 10 May 1973, on the Department of Economic and Social Affairs' activities within the Programme Budget for 1974-75, 123 or just about 50 per cent relate to research and studies or publications based on these. This is confirmed in terms of manpower utilization in the Secretary-General's report on "Work Programme Performance in the economic, social and human rights fields" for 1971, the last year for which this detailed information is available (E/AC.51/62, Annex and Add.), which shows, in the case of 9 selected activities, that 56.1 per cent of "performed man/months" were devoted to substantive research and studies.

39. This, of course, is all the more true of the commissions which, despite the various recommendations regarding their greater involvement in operational activities, are still, by and large, essentially research institutions.

40. Substantive work is carried out either under specific directives of various governmental bodies or, more often, at the initiative of the secretariats themselves, in pursuit of the general objectives laid down by the Charter and/or earlier decisions of these bodies. Subject to approval of the work programmes and the availability of funds, a wide measure of discretion and initiative seems to rest with the secretariats regarding this type of activity.

41. Since many problems are being dealt with simultaneously by both Headquarters and regional offices, the Inspectors sought to ascertain, by means of a comparative study of the various work-programmes, whether such parallel endeavours were mutually complementary and resulted from the co-ordination of the programmes - as they should - with a view to ensuring the most economic use of scarce resources.

42. This turned out to be far from easy, if only because the work-programmes as they were formulated these past years for the use of the various legislative and programming bodies, not only vary greatly in presentation and comprehensiveness, but in many cases give only an approximate indication of what the offices will do once the resources they request are approved.

(a) Development Planning, Projections and Policies

43. United Nations substantive responsibilities in the field of Development Planning, Projections and Policies are exercised, under the aegis of the Committee for Development Planning, by ESA's Centre for Development Planning, Projections and Policies (CDPPP) at Headquarters and are concerned essentially with the review and appraisal of the progress of the International Development Strategy during the Second Development Decade and, in addition, with the problems of mass poverty and unemployment.

44. As regards review and appraisal, while global responsibility rests with the Centre, the General Assembly, i.a., in its 1970 resolution 2687 (XXV), considering that the commissions would be called upon to assume "major responsibility" for review and appraisal at the regional level of the progress in the implementation of the International Development Strategy, in collaboration with regional development banks and other regional or sub-regional institutions, recommended that they "be provided with the means and resources necessary to fulfil their role".

The commissions have also been asked by their own legislative bodies to pay particular attention to the implementation of the strategy for the Second Development Decade, including a review and appraisal of the programme.

45. All the commissions were involved in 1972-1973 in field enquiries on methods and procedures for evaluating the progress made in the implementation of development plans and have been otherwise variously active in this area.^{28/}

46. Aside from the General Assembly's specific recommendations to this effect, it stands to reason that the work done by the commissions in this field must constitute the basic input to CDPPP's global analysis of the progress of the International Development Strategy during the Second Development Decade and for any possible evolution of this Strategy. On the other hand, as the Inspectors will show in the last section of this chapter, while the resources and professional manpower available in this field increased at Headquarters, both decreased in the commissions.

^{28/} ECA, for example, prepared the first regional report on the review and appraisal of the progress of both the International Development Strategy and of Africa's Development Strategy in the 1970's. It undertook a number of field visits with a view to obtaining information on methodology, criteria, bench-marks and feed-back procedures in connection with CDPPP's planned training workshops on the techniques of review and appraisal and it published several issues of the Survey of Economic Conditions in Africa and of the Planning Newsletter.

ECAFE reviewed the performance of the region during the first biennium of the Decade; initiated a study of feasible growth rates for the countries of the region and published the Economic Review of Asia and the Far East, 1972, as well as several issues of the Economic Bulletin for Asia and the Far East.

ECE's work in this field continued to be carried out essentially through its body of Senior Economic Advisors to Governments.

ECLA co-operated in the work of review and appraisal of the Strategy, has continued its analyses of the conceptual and theoretical aspects of regional development strategy, and has issued the Economic Survey of Latin America, 1972.

Lastly, UNESOB/ECWA likewise participated in the review and appraisal of the Strategy and undertook a number of theoretical studies and provisional appraisal reports on countries in its region.

(b) Housing, Building and Planning

47. Headquarters' substantive activities in this field are carried out under the guidance of the Committee on Housing, Building and Planning, by ESA's Centre for Housing, Building and Planning (CHBP). In 1972-1973 these activities included the collection, evaluation, exchange and dissemination of information on problems and trends in human settlements around the world, as well as consultations and liaison with various offices and bodies within and outside the United Nations system. The Centre also contributed a number of studies to ACAST and the United Nations Conference on the Human Environment and has prepared or issued such publications as the World Housing Survey and Human Settlements.

48. Member States around the world are showing growing concern about this topic and several of the commissions had in 1972-1973, despite their meagre resources, a number of significant projects in their work-programmes.^{29/}

49. Though there is, of course, an understandable need to familiarize the various regions with the work done and solutions devised elsewhere, many of the problems connected with human settlements are affected by environmental and social factors peculiar to a given region or sub-region and these, at least in their initial stages, can no doubt best be tackled by the commissions, with Headquarters retaining, of course, primary responsibility for policy and methodology and, in some cases, technical guidelines. And yet, as the Inspectors show later in this chapter, both funds and professional manpower are overwhelmingly concentrated at Headquarters, which has also benefited almost exclusively from the additional resources made available in this field.

^{29/} ECA's programme in 1972-1973 included studies on such topics as "Savings Mobilisation in African Developing Countries" and "The Use of Timber in Housing", as well as preparatory work on a "Manual on Physical Planning". The Commission has also established a Task Force on the Financing of Housing, Building and Physical Planning.

ECAFE completed its "Manual on Regional Planning".

ECE has done substantial work in this field for a quarter of a century.

Even UNESOB/ECWA, for all its meagre resources, undertook a number of studies on such topics as "The Development of Urban Nuclei: a Case Study", "Problems and Policy Implications of Middle Eastern Urbanisation", "Current State and Problems of Housing Construction Industry in Selected Countries in the Middle East", "A Preliminary Report on Uncontrolled Urban Settlements in Amman, Jordan" and "Integrated Community Services for Low-income families in Amman, Jordan".

(c) Population

50. The United Nations growing involvement in population activities, which culminated in the 1974 first World Population Conference, has been one of the most striking developments in its economic and social programme. Carried out under the aegis of the Population Commission and funded now largely by extra-budgetary resources, this is an expanding field of activity that is to result in due course, i.a., in a World Population Plan of Action. Apart from servicing the various legislative and programming bodies concerned with this issue, ESA's Population Division at Headquarters has been studying such topics as the impact of family planning programmes on fertility; fertility and mortality levels, conditions and trends; methods of projecting urban and rural population; population projections by various criteria and the demographic aspects of economic and social development. It has also drafted guidelines and methodologies and made comparative analyses.

51. With the partial exception of ECLA, all the commissions are likewise active in this field in varying degrees.^{30/} And this is natural since some of the regions or

^{30/} ECA's work-programme in 1972-1973 included studies on such topics as "The Volume and Implications of Migration to Addis Ababa", "The Patterns of Fertility in African Studies on the Urbanisation Levels and Prospects in Africa", "Social and Economic Implications of Urbanisation and Population Distribution in Africa"; "Indications of Current and Future Methodological Trends in the Collection of Data on Fertility Levels and Differences in Africa"; a manual on "Concepts and Definitions Suitable for African Conditions"; a teaching manual on "Demography and the Intermediate Levels" and a study on "Communications on Aspects of the Population Programme". It has also undertaken a series of macro- and micro-country case studies. Lastly, the Commission published several issues of the African Population Newsletter and of the African Census Programme Newsletter, and the first issue of the African Population Studies.

ECAFE's activities, which are carried out within the context of the Asian Population Programme, included the completion of surveys on "Periodicals in the Population Field" and on "Communications Equipment Available for Family Planning Programmes in the Research and Teaching Institutions in the Region". The Commission publishes the Asian Population Studies and the Asian Population Programme News.

Although ECLA has shown so far no resources of any sort (whether in terms of funds or professional manpower) for this activity, at least during 1972 and 1973, it has undertaken some demographic studies within the context of its activities in the field of Social Development; it also collaborates with the UNDP-funded Latin-American Demographic Centre (CELADE).

For its part, UNESOB/ECWA studied at the country level such topics as levels and trends of mortality, mortality statistics, demographic characteristics of youth and demographic and economic growth. It also published further issues of its Population Bulletin.

sub-regions are among the most densely populated in the world.

52. And yet, as the Inspectors will presently show, even though they have been receiving additional resources, especially in terms of extra-budgetary funds, here again Headquarters' share has increased further in recent years, whereas the commissions' share has declined accordingly.

(d) Public Administration

53. The substantive work of ESA's Public Administration Division included in 1972-1973 a handbook on "Systems Approach to Management Training of Professional and Technical Personnel", the "United Nations Directory of National Agencies and Institutions for the Improvement of Public Administration", a comparative study of administrative aspects of family planning for the 1973 World Population Conference and discussion papers for the United Nations Conference on the Human Environment. The Division also conducted a pilot appraisal of progress in its field during the first biennium of the Second Development Decade.

54. As the scope of the economic and social development extends, developing countries are coming to realise that if their efforts are to bear fruit, changes in their administrative structures, sometimes radical ones, are required; that these changes must be such as to take account of the economic and social problems that the process of development itself produces and that such new directions should be intensively explored as the public sector enterprises, development administration, etc. In all the commissions, therefore, irrespective of the resources now available to them, there is a keen desire to become more active in this field and all of them have medium-term plans for intensifying their involvement in this direction^{31/}

55. And this, again, is natural. Indeed, while here as elsewhere, global research and studies and the elaboration of guidelines based on these are necessary and while developing countries can learn much from one another and from developed countries in other regions, they have also much to learn from each other in the same region, if

^{31/} ECA's programme in 1972-1973 included a series of working papers for a Joint OCAM/ECA meeting on the Organisation and Management of Public Administration in Africa, a workshop for the training of management consultants and a seminar for industrial administrators in Africa.

ECAFE prepared a preliminary regional review of the progress made in the first biennium of the Second Development Decade.

ECLA likewise participated in this appraisal.

only because of comparable economic and social conditions, problems and experiences. While Headquarters' action is therefore fully justified, there is good reason why its activities should be given more of a regional and sub-regional content and why the commissions should be brought more into the picture and given a more generous share of whatever funds are available in order to intensify their contributions. To date, the opposite has been the case: as the Inspectors will show later in this chapter, while Headquarters' share of funds and professional manpower has increased in recent years, that of the commissions has declined.

(e) Public Finance and Financial Institutions

56. The work of ESA's Division of Public Finance and Financial Institutions was devoted in 1972-1973 to such subjects as the elaboration of multinational or national export credit insurance schemes; the mobilisation of financial resources; the drafting of guidelines for tax-treaties between developed and developing countries, and tax reform planning.

57. Although the main responsibility for providing financial resources for development rests on the developing countries themselves, there is still a need for increased external financial assistance and improvement in its conditions and to this end the countries in the various regions have been trying to harmonize their positions on relevant financial and monetary issues. While all the commissions have been co-operating with Headquarters as regards export credit insurance schemes, only one of them has been active in this whole field during the period under review.^{32/}

58. This accounts, no doubt, for the fact that, as the Inspectors will presently show, the bulk of funds and professional manpower in this field is concentrated at Headquarters.

(f) Resources and transport

59. The Natural Resources and Energy programme of ESA's Resources and Transport Division at Headquarters has four main components: Mineral Resources; Water Resources; Energy and Cartography. Aside from its operational programmes, which constitute the bulk of the Division's activities, the latter's substantive work in 1972-1973

^{32/} ECA's programme in 1972-1973 included comprehensive studies on systems of taxing agricultural incomes and personal income taxation in Africa; on the fiscal implications of import substitution; on international, financial and monetary issues; on international procurement and tied aid and on international procurement and development of intra-African Trade.

included such studies as "Small-scale Mining in the Developing Countries"; "Abstraction and Use of Water: a Comparison of Legal Regimes", as well as various new concepts in water resources utilization; "Electricity Costs and Tariffs: a General Study", papers on world energy reserves, supply and demand, and new technologies and energy; and lastly a further volume of World Cartography and an additional supplement to the International Map of the World in the Millionth Scale. The Division also dealt with problems of Ocean Economics and Technology and its programme in this area included studies on coastal zone development in developing countries, on the extent and economic significance of marine resources in the light of the various proposals made on the limits of national jurisdiction and on problems of marine pollution.

60. With the exception of UNESOB/ECWA, all the commissions have been, to a varying extent, active in these areas during the period under review.^{33/}

61. In the area of Transport and Communications Headquarters produced in 1972-1973 a series of studies on such topics as "Physical Requirements of Transports Systems in Respect of Large Freight Containers", and "Air-cushion Vehicles for Use in Developing Countries".

^{33/} ECA's Industry and Housing Division includes a Natural Resources Section, a Mineral Resources Unit, a Water Resources Unit and a Cartographic Unit. In 1972-1973 these produced data compilations on the development, production and export of mineral resources (by country and commodity); studies on the present status and future prospects in the field of mineral resources exploration, exploitation and utilisation in West Africa; on data collection for water resources development and on the status of hydrological networks in Africa and proposals for their improvement; country reports on the development of the petroleum industry; papers on the development of energy in Africa and a series of papers for the United Nations Conference on the Human Environment.

ECAFE's Natural Resources Division, aside from its extensive operational activities, has produced i.a. studies on Mineral Resources of the Lower Mekong Basin, and adjacent areas and working papers on water-resources development, on typhoon damage control, on energy resources and electric power and on petroleum legislation with particular reference to offshore operations; it also continued the issuance of tectonic, mineral distribution and oil and natural gas maps.

ECE has several active sectoral committees (e.g. on gas, electric power and water problems) which have been doing useful work in their various fields for many years.

ECLA's Natural Resources and Environment Division produced a study on "The Petroleum Industry in Latin America" and participated in the appraisal of the first biennium of the Second Development Decade as regards mining, water resources, energy and the human environment.

62. Most of the commissions were active in this area during this period too.^{34/}

63. The objectives of the various programmes in the field of Tourism are to study and evaluate trends and factors affecting the development of tourism in the world and particularly in the developing countries; to disseminate information and experience in order to assist Governments in devising sound tourism policies on the basis of effective guidelines, and to achieve better planning and co-ordination of activities within the United Nations system and between the United Nations and world tourism organisations.

64. Headquarters has a small programme in this connexion. On the other hand, the keen desire of developing countries to exploit the potentialities for tourism as a means of increasing their invisible earnings has been duly recognized in the commissions and in pursuance of their governmental bodies' directives, they are now

^{34/} ECA's work in the field of transport in 1972-1973 was connected essentially with the Trans-African Highway project. But it also studied the question of freight containers and produced papers on such subjects as "Operational Efficiency and Current Developments in Telecommunications in the ECA region", "Telecommunication Development - Suggested Targets for the Second Decade" and "Review of Telecommunication Training in ECA Member Countries".

ECAFE completed its feasibility studies for the Asian telecommunication network.

ECE's Inland Transport Committee has been active in this field for many years.

ECLA collaborated in the biennium appraisal report on maritime transport, insurance and re-insurance, internal and international transport and telecommunications. It also produced papers on the co-ordination of road transport with other types of international transport in South America and on Latin American development and the United Nations/IMCO Conference on International Container Traffic and two methodological notes on the scope, characteristics and organisation of a comprehensive study of transport in the countries of the Andean sub-region and Venezuela.

taking increasing interest also in this area.^{35/}

65. As the Inspectors show later in this chapter, while the trend in terms of funds in this field has been slightly more favourable in recent years to the commissions than to Headquarters, both in terms of professional manpower resources and especially in terms of extra-budgetary funds (which predominate in this activity) the opposite is true.

(g) Science and Technology

66. Compared to other fields, United Nations activities in the field of Science and Technology, to date, have been relatively modest. However, this may not be always so. A World Plan of Action has been formulated and at the meetings of the Advisory Committee of the Application of Science and Technology to development (ACAST) in 1972 it was agreed that the commissions should play a large part in the Plan's execution in their respective regions. Moreover, the Economic and Social Council in recent years has been devoting increasing attention to the role of science and technology in development and the developing countries themselves are deeply conscious of the importance of science and technology for sustained development and for reducing their dependence on the developed countries.

67. And yet, with the one exception of ECA, the commissions have been hardly at all involved in this field, most activities being concentrated at Headquarters and in UNCTAD and UNIDO.

(h) Social Development

68. Carried out under the aegis of the Commission for Social Development, United Nations activities in the field of Social Development are now grouped in four broad

^{35/} ECA, in 1972-1973, completed a report on the cost and revenue structure of a number of hotels in Tanzania; a document on costs and benefit analysis of the "joint travel promotion" project of the countries of the East and Central African sub-regions, and studies on "The Trans-African Highway and Tourism" and on the "Joint Organisation of the Promotion of Tourism", as well as a first issue of an annual bulletin entitled African Tourism.

ECAFE's projects have included a regional plan of action and in-depth surveys of facilities for the training of personnel in tourism and of industrial and allied services, including the hotel industry.

In addition, both these commissions have formulated long-term programmes for the development of tourism.

categories: "Social Policy and Planning" (including "Crime Prevention and Control"), "Social Reform and Institutional Change", "Human Resources and Popular Participation in Development" and "Research and Training Programmes in Regional Development". Substantive work at Headquarters in these various areas included in 1972-1973 studies on social objectives, targets and programmes for the Second Development Decade and an assessment of the progress achieved; on the outflow of trained personnel from developing to developed countries; on national experience in achieving far-reaching social and economic changes for purposes of social progress; on a unified approach to development analysis and planning; a series of field studies on social policy and the distribution of income, on social aspects of rural industrialisation and on national experiences in community programmes for low-income families in urban settlements; and studies on the current situation with respect to capital punishment, land reform, the promotion of co-operatives, the socio-economic situation of the elderly and the aged, channels of communication with youth and international youth organisations and the organisation and administration of domestic youth services. Headquarters' publications included a series of bibliographies on regional development and a series of studies and periodical publications connected with some of the topics listed above.

69. The importance of the social aspects of development is of course fully realised in all developing countries and all the commissions, with the exception of ECE, were active in this field during the period under review.^{36/}

^{36/} ECA's programme in 1972-1973 included a quarterly Newsletter on Rural Development, a "Directory of Activities of the International Voluntary Agencies in Rural Development in Africa" and studies on such topics as Job Opportunities in Agriculture, Rural Organisations, Agricultural Services, Pre-vocational and Vocational Training for Girls and Women, the Impact of Modern Life and Technology on Women's Economic Role: implications for Planning, Women and Rural Institutions, Unemployment among School-leavers, Middle-level Manpower Requirements and Training Needs; Case-studies of Training Programmes for Preparing Primary and Secondary School-leavers for Employment; Evaluation of Secondary School Enrolment and Output in Relation to Middle-level Manpower Requirements in Selected Countries; and Manpower and Training Needs for the Development of the African Petroleum Industry.

ECAFE prepared a survey of the social situation in its region, a survey of development aspects of curricula of schools of social work in the region, a regional survey of training programmes for youth workers as well as several issues of its Social Work Education and Teaching Material Newsletter.

ECLA participated in the appraisal of the first biennium of the Second Decade and studied such topics as a Unified Approach to Development Analysis and Planning, Trends and Direction of Urban Growth in Latin America and Urbanization Trends in Brazil.

For its part, UNESOB/ECWA prepared ten studies on youth problems, land reform and industrial social welfare, as well as a paper on "The Identification of Least Developed Countries in the UNESOB Region from the Perspective of Social Development".

70. While, as the Inspectors will presently show, the distribution of funds and especially of extra-budgetary resources in this field appears to be somewhat more favourable to the commissions than in most others, these resources and even more so the professional manpower available are again concentrated heavily at Headquarters.

(i) Statistics

71. The development under the aegis of the Statistical Commission on a world-wide scale of a comprehensive and comparative system of statistical information is, no doubt, the prototype of a United Nations activity requiring a rational distribution of responsibilities and resources between Headquarters and the field. For it goes without saying that Headquarters' role in devising methodologies, standards and guidelines and in compiling and analysing global data is complementary to and depends heavily on the commissions' functions in testing the practical applications of these methodologies, standards and guidelines and in providing the sub-regional and regional data on which any global compilation and analysis must necessarily rest.

72. Apart from its programme of recurrent periodical data publications, ESA's Statistical Office continued in 1972-1973 its work in creating, maintaining and co-ordinating data banks of economic and social statistics and it issued a series of studies on such topics as Industrial Statistics, Industrial Censuses, Population and Housing Census Methods, as well as an Input-Output Bibliography and a further Sample Surveys compilation.

73. With the exception of UNESOB/ECWA, all the commissions were active in this field during the period under review.^{37/}

^{37/} ECA's substantive work programme in 1972-1973 included studies on such topics as Distribution Statistics, the Use of Electronic Data Processing Equipment in Africa, the Pattern of Private Consumption Expenditure, Capital Formation in African Countries and the Change in Terms of Trade of Developing Africa. The Commission continued and initiated a new series of country Economic Data Summaries.

ECAFE's extensive substantive work-programme included the collection, compilation, analysis and publication of economic and social statistics of the countries of the region; the preparation of methodological reports, guidelines and manuals; the adaptation of international standards to regional requirements and the review and analysis of national accounts and related tables and balances.

ECE's Conference of European Statisticians has an extensive substantive work-programme which has, time and again, played a pioneering role in many sectors of this field.

ECLA's Statistics and Projections Division participated in the appraisal of the

74. The mutual dependence of Headquarters and the commissions in the field of statistics and the complementary nature of their work is fully realised, as is evidenced by the growing share of funds and professional manpower being made available to the commissions, sometimes - as the Inspectors will presently show - at the expense of Headquarters. Indeed, the Inspectors have no hesitation in saying that what is being done in this regard in the case of Statistics represents, in their opinion, an example of what could and should be done in many other fields.

* * *

75. Besides the substantive research and studies strictu sensu summarised above, most of the commissions active in a given field were also involved at some point or other and in varying degrees in the substantive preparation and backstopping of technical meetings, seminars, workshops and conferences and of other projects of a more operational nature which are sometimes themselves an important element of this research work or to which the latter represents an essential input. The Inspectors will deal later with the various main types of operational activities and with the commissions' role in them.

76. Here they would merely point out that the above cursory analyses of the various Headquarters and regional work-programmes suggest two immediate conclusions. In the first place, the commissions seem to have acquired by now a considerable amount of experience and expertise in many fields. This may not cover the whole span of knowledge required in each field (but this is the case also at Headquarters, hence the latter's heavy reliance on outside consultants), but at least it appears to be sufficiently extensive in many cases to provide a nucleus around which an additional body of experience and expertise could be built up as the need arises.

77. The above analyses also bring out the obvious parallelism in the activities of many Headquarters and regional offices. True, since many topics may have both global and regional aspects, the Inspectors do not suggest that the fact that work in a given field is being done both at Headquarters and by one or several commissions is wrong

first biennium of the Second Decade, issued a further volume of the Statistical Bulletin for Latin America, continued work on its Yearbook and quarterly bulletins and prepared a group of tabulations on population, household internal and external migration, economic activity, education, fertility, etc.

per se. However, apart from the heavy concentration of funds and professional manpower resources at Headquarters in most cases (about which more will be said later), the nexus between Headquarters and regional programmes is frequently not clear; nor can it be precisely ascertained. In some cases the programmes are prima facie complementary; in others the commissions appear to be doing the same work in their respective regions as the substantive offices at Headquarters on the basis of more or less independent initiatives of their own secretariats arising from the mandates of their respective governmental bodies.

78. This raises the whole issue of work-programme co-ordination and of the co-ordination of Headquarters and regional activities generally, which poses so many problems that the Inspectors will deal with them separately in a subsequent chapter of this report.

(2) Technical co-operation activities and the regional economic commissions

79. The General Assembly and the Economic and Social Council have, especially in recent years, stated and re-stated the need for the regional economic commissions to engage more extensively, alongside their substantive duties, in operational activities and both bodies have urged that they be strengthened to this end.

80. United Nations technical co-operation activities consist of the following:

- Advisory services, i.e. experts (short or medium-term, working individually, like the inter-regional and regional advisors; or in teams, like the UNDAT's);
- Training (i.e. seminars, workshops or other technical meetings^{38/}; individual fellowships, etc.);
- various advanced training institutes, and
- so-called special projects^{39/} (River basin development, inter-continental roadways or railways, etc.)^{40/}

^{38/} Besides the two purposes mentioned earlier, these meetings may also serve for the dissemination of information.

^{39/} As they are described by ECAFE (which has the longest experience with this type of project).

^{40/} The Inspectors had hoped to be able to show in quantitative terms the relative importance of expenditure on these different types of projects. This turned out to be impossible, owing to the absence of comprehensive and comparative figures over the years.

81. Depending on the type of activity, different offices of the Secretariat shoulder a major responsibility, e.g. in the case of experts, the Technical Assistance Recruitment Service (TARS) of the Office of Personnel Services (OPS); or in the case of training, the Office of Technical Co-operation (OTC) of ESA.^{41/} In addition, depending on the source of funding and on which office has been named executing or participating agency for a given project, UNDP, UNCTAD and UNIDO may also come into the picture.

(a) Advisory services

82. As described in the budget estimates for 1974-1975 (A/9006) these services, which are rendered by a mobile staff of experts, working individually (inter-regional and regional advisors) or in teams (UNDAT's) and based either at Headquarters or in the regional economic commissions, are designed to:

- strengthen the planning and co-ordination machinery of Governments, especially those of the least developed countries, through inter-disciplinary development advisory teams, the so-called UNDAT's;
- assist in the formulation of regional and now also country programmes and projects;
- assist in the improvement of in-depth sectoral programme and project evaluations;
- provide short or medium-term advice to developing countries on various development problems generally.

83. These advisory services are, by and large, of two types:

- general, i.e. related to overall economic and social policies and planning of a sectoral or inter-disciplinary nature;
- specific, i.e. relating to a particular expertise;

^{41/} Many of these activities may involve the procurement of equipment, which is the responsibility of the Office of General Services Purchase and Transportation Division (P. and T.).

84. It will be seen from Table 2 that (a) while between 1970 and 1973 there has been a large increase in the number of inter-regional advisors (which are run from Headquarters), there has been a fairly drastic drop in the number of regional advisors (which are run from the commissions) and this is especially true of the African region; and (b) while the general pattern of disciplines in which inter-regional advisors were employed has remained substantially the same (the largest number of man/months worked being in Development Planning and Public Administration), the emphasis in the field has shifted from Natural Resources and Development Planning to International Trade and Social Development.

85. Since the way these various offices within the Secretariat function and the relationship between them have a bearing on the issue of decentralization, the Inspectors will go into these functions and relationships in a later chapter of this study. Here they wish to describe briefly what these various technical co-operation activities consist of and to what extent the commissions are involved in them.

(i) Inter-regional advisors (IRA's)

86. Funded under the regular budget, "Operational programmes" and "Other extra-budgetary resources" at an annual cost of some \$40,000 a head, the IRA's are supposed to be exceptionally qualified experts, such as may not be available among the RA's, in highly sophisticated fields of knowledge of global interest.

87. The IRA's are made available in response to requests by individual countries or by the commissions. Their advice is, by and large, of a "non-project" nature, being more on matters of policy, infrastructure, local problems, etc. No IRA, the Inspectors understand, has ever started an inter-regional project.

88. The Inspectors are, of course, in no position to assess the qualifications of the IRA's ; moreover, they realise that the top-level expertise expected of them is rare and, when it exists, may be sometimes not easily available for United Nations service. They note, from an internal Secretariat study, however, that out of 17 IRA's contracted by four Headquarters offices in 1973, the qualifications of one did not correspond to his assignment; the performance of another was judged "unconvincing"; that of a third was "under review" and that of a fourth "unknown". Three others were found to duplicate the work of fellow IRA's. Furthermore, an examination of individual dossiers did not reveal any significant difference between their expertise and that available among RA's.

89. Though, by definition, IRA's are expected to spend most of their time in the field, their record of field service, even though it seems to be improving, is not very impressive, e.g. 1969: an average of 31.2 per cent of the total time contracted for; 1970: 34.8 per cent. In 1973 the average for 24 of them was 47 per cent. Of these, 5 spent 25 per cent or less in the field; 10 - 50 per cent or more; only one spent more than 75 per cent.

90. The Inspectors appreciate that in certain exceptional cases it may be desirable to have attached to Headquarters' offices individuals who have not only top expertise in a rare field, but also global experience that can be made available to Governments on request. They wonder, however, whether the institution at present fully answers these criteria; whether the distinction made between them, the RA's and the so-called "Special Technical Advisors" attached to ESA's substantive offices, is not based often more on financial considerations (i.e. the sources of funds) than on technical and functional ones and whether the IRA's are not being used, sometimes, merely as yet another device to run regional activities from Headquarters.

91. The Inspectors also appreciate that time spent in the field is not the only criterion by which to judge the usefulness of an expert. Nevertheless, they have the impression that what the IRA's are doing in many cases is advising not so much Governments, as the substantive offices at Headquarters and that many of them are, in fact, consultants to these offices and sometimes even fulfilling administrative functions.

92. Actually, the very idea of lightning visits, often at a high cost, from a Headquarters office to different parts of the world to render advice to countries whose conditions may be unfamiliar to the IRA since (as we shall presently see) these trips are mostly unco-ordinated at the regional level, with all briefing and de-briefing done at Headquarters, appears to be often unconvincing.

93. In the light of the above, the Inspectors wonder whether the institution of IRA's should not be re-evaluated; the respective roles of IRA's and RA's more clearly defined and delineated; the qualifications of candidates - IRA's checked more carefully against their proposed duties, and expenditure on IRA's reduced generally, with a corresponding increase in expenditure on RA's. In addition, the Inspectors believe that IRA's should be used only in fields requiring truly exceptional expertise of truly global significance; that the criterion of "field presence" should be enforced more strictly than has been the case to date; that the programmes of IRA

assignments and their reports should be communicated to the commissions which, for their part, should forward to Headquarters any comments they may have without delay; and, lastly, that more sophisticated briefing of the IRA's and evaluation of their work should be carried out jointly by Headquarters and the commissions.

(ii) Regional Advisors (RA's)

94. Like the IRA's, the regional advisors are supposed to constitute a mobile group of highly qualified experts, available individually or in multi-disciplinary teams for advisory services to the countries of their regions. Their missions (though longer than those of the IRA's) are relatively short - two weeks to two months - and when one assignment is over, they are expected to move on to the next. In at least one region (ECAFE) their functions have been extended beyond pure technical advice to participation in seminars, working groups, etc., for which they prepare background documentation; and assisting regional projects through lectures or other ad hoc assignments. Unlike the IRA's, some of them actually develop new projects.

95. Though the institution of RA's was described some years ago as a valuable innovation and though they still form the mainstay - if a diminishing one - of the whole system of advisory services^{42/} - their budgets and hence numbers have diminished between 1970 and 1973 in virtually all regions and in the ECA region, dramatically (see Table 3). Among the reasons given for this decrease are the 16 per cent reduction in UN/TA funds; the diversion of some former RA funds to finance the UNDAT's and increasing per capita costs.

96. For all their apparent usefulness, the RA's give rise to a number of problems. For example, as a matter of policy, the RA's - like the IRA's - are expected to spend most of their time in the field. Only if and when their time allows, may they assist in substantive work at a regional headquarters. From another recent internal Secretariat study the Inspectors note that out of a total of 69 RA's under contract in 1970, 30 (i.e. almost half) reported no travel whatsoever during the year. The remaining 39 spent on an average only 12.5 per cent of their time in the field. This percentage varied from one region to another. (Africa: 9.2 per cent; Asia and the

^{42/} In 1970: 70 to 76 per cent of all advisory posts; 1971: 66.4 to 58.6 per cent; 1972: 61.2 per cent to 54.3 per cent (See Table 2 and footnote 5 thereto).

Far East: 20.7 per cent; Latin America: 6.4 per cent and the Middle East: 26.4 per cent). RA's who travelled at all spent on an average three quarters of their time at regional headquarters.

97. Though, as already mentioned, mobility is not the essential criterion when judging an expert's usefulness, the Inspectors cannot escape the impression that on the one hand, Governments' interest in some RA projects may be less marked than the commissions assumed in programming them; and that, on the other hand, the commissions (like Headquarters' offices in the case of the IRA's) may be using the RA's to strengthen their substantive manpower.

98. The Inspectors were told that to some extent Governments' lack of interest in an RA project may be due to faulty or lack of consultations and co-ordination with some of the UNDP resident representatives. Indeed, although such Government interest is supposed to be ascertained before an RA project is programmed, once an RA is appointed, the commission makes known his availability and qualifications only to the resident representatives in the region. Then, if and when demand for service comes in, it works out his travel schedule. The Inspectors understand that the lists of RA's are not always made available by the resident representatives to the national ministries concerned. Also, because of inadequate consultations with the resident representatives, even though an RA assignment may have been requested by Governments and duly announced, when the RA arrives he may find the ground totally unprepared, so that much of his short mission time may be spent on pre-project negotiations. Lastly, reduced call on RA services in the field may sometimes be due to a fall-off in requirements for a given expertise.

99. In the view of the Inspectors, the RA's are an essential form of advisory service at the regional level and a cut in their numbers cannot be justified by increased use of IRA's and even by the establishment of the UNDAT's, which are not and cannot be a substitute for them. To make RA's more effective, however, the Inspectors suggest that their qualifications, too, be checked more carefully against their proposed duties; that the criterion of "field presence" be enforced likewise in their case more strictly than has been done to date; that their availability be made known by the commissions in all cases, not only to the resident representatives but to the competent national authorities in the regions; that there should be a closer rapport in this connection between the commissions and the resident representatives, who should (as some are at present doing) actively help prepare the

ground for all RA missions and that more sophisticated evaluation be instituted in their regard too by the commissions. RA's of one commission could also be loaned out on a quid pro quo basis to another, where the need for their particular expertise may be greater at a given moment than in their home region.

100. Moreover, with improved programme and budgeting procedures, RA projects should be programmed only when Government interest is really extant.

(iii) United Nations Development Advisory Teams (UNDAT's)

101. An interesting new development in the area of United Nations technical co-operation advisory services has been the decision to set up so-called "inter-disciplinary development advisory teams", commonly known now as UNDAT's.

102. As initially conceived, the means to this end were to be a small number of multi-disciplinary teams of 5 to 8 full-time top-level experts in such fields as general economic and social development planning, fiscal and financial questions, administration and management, manpower training and development, agriculture, industry and trade; plus short-term experts or consultants as required. Each was to be headed by a team leader and supported by the necessary secretarial and administrative staff. Based at a particular point and covering a relatively small number of neighbouring countries (4 to 7), these would undertake for the latter the required studies and analyses, as well as diagnoses and actions, within a geographical context sufficiently limited for them to respond at short notice to requests. The primary responsibility of the teams would be to each individual Government. However, they were also to give adequate attention to multi-national co-operation for development and, if so requested, assist several Governments collectively. Appointed for renewable periods of one year, the work of the teams would be subject to periodic review by the countries concerned, individually or collectively, as appropriate.

103. The idea was endorsed in 1969 by the General Assembly and has been likewise endorsed, before or since, by ECOSOC, the CPC, the Governing Council of UNDP, UNCTAD, UNIDO and the specialized agencies and, lastly, by the executive secretaries themselves.^{43/}

^{43/} See General Assembly resolution 2653 (XXIV)(1969) and ECOSOC resolution 1552 (XLIX)(1970).

104. The initial plan provided for the establishment of three teams for 1970 and, if the experiment proved successful, of a further six in 1971. Altogether, there were to be some fourteen to fifteen teams: five or six in Africa; one in the Caribbean; one in the Pacific; one in the land-locked countries of Asia and one mobile team attached to each commission.

105. However, the UNDAT's seem to be having serious teething troubles. By mid-1973 only three of the six teams that had been set up were in fact operational - one in the South Pacific and two in Central Africa. Three were being "re-structured" (the Caribbean, West Africa and South-East Africa) and one was still at the study stage (West Africa). Moreover, their annual budget has increased from a planned \$1.6 million to \$2.4 million, one team costing almost \$500,000 instead of the estimated \$300,000.

106. The substantive contribution of the UNDAT's to date cannot, of course, as yet be fully assessed. By early 1973 it was judged at Headquarters to be "fairly satisfactory, given the difficult and novel conditions under which they operated".

107. The UNDAT's have been depicted as a measure of decentralization. Moreover, the commissions have been from the outset directly and actively associated with the project, as was indeed originally intended. Thus under the initial operational guidelines (see E/4875) and as a result of subsequent arrangements between ESA and the commissions, the teams are established under their joint auspices in collaboration with other organizations of the United Nations system, as appropriate. The need for an UNDAT; the countries to be covered; the size and the drafting of the job descriptions; the establishment of the posts; the drafting of the operations plan, as well as the selection and recruitment of the team leader are joint endeavours of Headquarters and the field, again (where appropriate) in consultation with other organizations of the United Nations system. On the other hand, the recruitment of the experts and their substantive and administrative supervision and backstopping was supposed to be the responsibility of Headquarters, copies of the teams' quarterly reports and of the comments thereto being forwarded to the commissions and the authorized functional sub-allotments being made to them, as appropriate. True, the commissions could provide consultants from among their RA's, if invited to do so. Lastly, they would be responsible for organizing and assisting in periodic inter-country reviews of the teams' work.

108. The commissions have felt all along that once the exploratory and pre-project work and the selection of the team leader (admittedly the key element) has been

completed, jointly with Headquarters, everything relating to the implementation of the project (including the selection of the members of the team and their substantive and administrative backstopping) should be decentralized, copies of all reports being sent to Headquarters, but all communications to and from the UNDAT's being channelled via the commissions. Although at first Headquarters was apparently hesitant to agree to all of this, there seems to be an evolution in its thinking towards a still greater involvement of the commissions in the backstopping and management of the UNDAT's.

109. One of the main reasons invoked to retain fuller Headquarters control over the UNDAT's has been that their assignments are by and large country assignments. But the same can be said of most RA assignments which, individually, are likewise country assignments. Moreover, the UNDAT's are likely to be used increasingly for the planning and development of sub-regional projects, especially among the least developed countries. Besides, the diffusion of control between several offices has drawbacks: it is costly - in travel and correspondence; it causes unnecessary delays; it is a major factor in the inadequate or slow utilization of regional staff (regional substantive staff, RA's, UNDP experts and agency staff); and, lastly, the UNDAT's own identification with the sub-regions they serve develops more slowly, if at all.

110. For all these reasons the Inspectors hope that there will be the greatest possible decentralization of substantive and administrative backstopping of the UNDAT's to the commissions. They believe that the selection of the team-leader should continue to be done jointly by Headquarters and the commissions, and that the recruitment of the team members should remain the responsibility of TARS, acting, of course, in close consultation with the commissions and with the utmost dispatch. But once the teams are set up, and subject to the Secretary-General's statutory responsibilities for overall supervision and control of all United Nations operations, they should become the full responsibility of the commissions, with a minimum of interference from Headquarters.

111. Headquarters, for its part, should be kept apprised of an UNDAT's work through periodic reports or such other devices as may be agreed between it and the commission responsible. Any guidance from Headquarters in respect of the operations of management of the team should be exercised, in the light of agreed standards and criteria, through the commission.

112. As ECOSOC resolution 1552 (XLIX) indicated in 1970, full use should be made, wherever possible, of existing regional capacity and in the first place of the RA's who, as we have seen, often do not spend enough time in the field. Even regional regular staff could be detached for a few months to assist the UNDAT's. This would help establish, as the executive secretaries pointed out in 1973, a unified system of regional advisory services, thus ensuring the most rational use of other types of expertise and a better dovetailing of available resources (E/5039).

113. It goes without saying that the decentralization of backstopping functions as regards UNDAT's to the field, to be effective, must again necessarily entail an appropriate strengthening of regional resources, through a transfer of the pertinent overheads and possibly through outposting of some Headquarters staff.

(b) Training

114. As described in the budget estimates for 1974-1975 (A/9006) training activities under the United Nations technical co-operation programme aim at providing intermediate level training and information opportunities in the form of seminars, training courses, workshops, etc. as well as individual fellowships. Comprehensive statistical information on this type of project is hardly ever provided in official documents and when available, is sometimes inconsistent.

115. Training projects or components thereof emanate normally from the field and are, in principle, decentralized but as the Inspectors will show in a later chapter of this report, this is not always the case; moreover, some such initiatives are not even co-ordinated between Headquarters and the commissions.

116. Like all technical co-operation projects, training projects are funded from whatever source happens to be available - the regular budget (to a decreasing extent), extra-budgetary resources and bilateral technical assistance. Generally speaking, with the virtual disappearance of regular budget funds for, and UNDP scepticism about, this type of project, there appears to be a decrease in training activities of all types.

117. The Inspectors heard many conflicting views about training activities, generally, and, specifically, about the relative merits of brief (two or three weeks) seminars, as compared to six to nine months-long training courses, (about the respective functions of which there seems to be some confusion). UNDP, for one, considers that seminars called by the commissions are often not prepared carefully enough, that the

calibre of attendance is low and that their benefits are incommensurate with their cost. Such criticism seems in some cases well-founded, but the Inspectors do not think that they justify a blanket condemnation of this type of activity. They note that even those officials who favour them admit that their value is uneven but, they say, the merits of the institution should not be judged by a few bad examples and though the longer training courses allow for the elaboration of sophisticated curricula, tailored to the specific needs of participants, there is room for both types, even short-term seminars being sometimes basic to regional thinking, "breaking the ice" and paving the way for regional development co-operation.

118. The Inspectors suggest that the identified shortcomings emphasize the importance of greater selectivity and more careful use of increasingly scarce resources. The commissions should see to it, therefore, that the meetings they call are well planned and relate to priority areas in their work-programmes.

119. On condition that it be properly managed, the fellowship component is yet another valuable instrument in creating the necessary infrastructure and training personnel for the developing countries.

120. And yet, this component, too, appears to have declined in recent years except when built into a project (e.g. to train counterpart staff for eventual take-over). UNDP, for one, was long doubtful of the value of post-graduate training; it is apparently now less so, provided the fellows go back to their own countries once they have completed their study tours (the perennial "brain drain" problem). Even then, fellows may follow courses within their technical competence, but scarcely relevant to the specific purpose for which the fellowship was provided, in some cases owing to the fact that the project manager was not consulted as to what training the fellow should concentrate on. Another recurrent problem with fellowships appears to be the difficulty in getting the fellows to study inside their own region, rather than in one of the far more costly and not necessarily more useful institutions in a developed country outside the region.

121. The Inspectors suggest that fellowship programmes too should be more carefully planned and granted only in priority areas and that the countries or institutions for which the awards are available be selected likewise with greater care, bearing in mind the need to make the maximum possible use of facilities available in or at least near the regions.

(c) Advanced training institutes and other special projects

122. The institutes^{44/} are designed to intensify training aspects in various forms in distinctive fields. Their functions vary from one region to the next, reflecting different or changing priorities there, but may include one or several of the following components: research, training and even active advisory work. Some of the institutes started as purely research centres and then took over training and operational responsibilities from the commissions.

123. Though most of them are funded by UNDP, some receive support from other sources. Hence the different administrative and financial arrangements and relationships with the commissions, which vary widely from case to case whereby, as usual, personality problems may also arise.

124. A perennial problem of many of these institutes has been the uncertainty and short-term nature of UNDP funding and consequently of their programmes and staffing.

125. The so-called special projects (all or most of which were generated, formulated, and developed in the regions) vary greatly in purpose and size. The common problem around which they centre and which serves as a psychological and material rallying point vary widely too. It may be a common link (a highway, a railway or a telecommunications network, etc.); or a natural resource or commodity (off-shore mining; coconut; pepper; iron and steel etc.), or a natural disaster (typhoon damage), or monetary co-operation (a regional clearing union) or a regional input to a global project (World Population Census).

126. As in the case of advanced training institutes, their funding is eclectic, with UNDP in most cases the major donor. Financial and administrative arrangements vary accordingly, as does the degree of regional responsibility even over those that are said to be decentralized. The Inspectors note that the number of those that are even theoretically "decentralized" is still exceedingly small and the degree of such "decentralization" often very relative.

^{44/} Their authority goes back to General Assembly resolution 1708 (XVI) and ECOSOC resolution 916 (XXIV).

(d) Country projects

127. Country projects still account for the bulk (if a slowly but steadily diminishing one) of United Nations expenditure on technical co-operation activities (1960: 83 per cent; 1965: 77.3 per cent; 1970: 76 per cent; 1971: 74 per cent and 1972: 70 per cent). In terms of funding, though absolute figures are difficult to come by, it would appear that in 1971 and 1972 the relative shares of the various sources of funding for country projects were as follows: Regular budget - 4.8 per cent in both years; UNDP component - 83.4 per cent and 82.4 per cent; funds-in-trust - 11.8 per cent and 12.8 per cent (DP/RP/14). By the end of 1973 only four of these projects had been, in theory, decentralized to the commissions.

128. The Inspectors will have more to say about the last-named two types of projects in a later chapter of this report, when speaking about the relationship between the commissions and UNDP.

3. The "capacity" of the regional economic commissions

129. The Inspectors have indicated that under their respective mandates and subsequent global and regional legislative decisions, the regional economic commissions have been authorized or instructed to engage in substantive and operational activities that span virtually the same wide spectrum as do the various Headquarters' offices. As has just been shown, many of them do so - to a varying extent from one region or year to the next or from one activity to the other.^{45/}

130. The extent of the commissions' involvement in this or that activity may depend on the interest shown by Member States of a region in a given topic or on the degree of expertise or experience acquired by the regional office concerned over the years. But it depends also undoubtedly on the resources available to this office in terms of funds and professional manpower.

^{45/} In the years 1970-1973 all five commissions were involved in only one activity, i.e. Development Planning, Projections and Policies; four of them were involved in four activities - Industrial Development; International Trade; Resources and Transport; Social Development and Statistics; three were involved in two activities - Housing, Building and Planning and Science and Technology; two in two other activities - Population and Public Administration. Lastly, only ECA was involved in Public Finance and Financial Institutions.

131. Indeed, the argument most frequently invoked to justify the present concentration of authority and resources at Headquarters and the slowness (or absence altogether) of decentralization to the commissions is that the latter are not equipped to perform many of the activities which Headquarters has at present to undertake, i.e. their alleged lack of "capacity".

132. In the first place, it is not entirely correct to say that none of the activities at present run from Headquarters could be taken over by the commissions even given their present degree of technical competence and resources. As the brief analyses of their 1972-1973 work-programme in the various fields in section 1 of this chapter show, the competence and in some cases even the resources are there. Within the limited areas entrusted to them, all the commissions have performed their tasks efficiently. This is the view of the Member States of the regions and this has also been confirmed by the senior Headquarters' officials with whom the Inspectors discussed the matter.

133. The point is that even in the case of those fields or types of activity for which the commissions have admittedly both the required expertise and experience and/or in which they have been instructed to become involved by their legislative bodies, many Headquarters' offices still insist in retaining total or at least partial control over a number of regional projects that should logically be decentralized and over the resources that go with them.

134. As a result, many regional offices responsible for this or that sectoral activity are heavily understaffed and are thus by and large unable to make any meaningful contribution to global or regional endeavours that are of crucial concern to Member States in their respective regions.^{46/}

^{46/} To take just one example, the coming World Water Conference in 1976 is the first global venue on this vital topic. All the regions are, needless to say, concerned and all of them should be expected to provide valuable inputs on the problems of their regions which, of course, differ widely from one to the other, as do the solutions devised or being explored to solve them. And true enough, ECA's work-programme for 1974-1976 includes three water projects (though without any indication of the manpower required to carry them out); ECAFE's work-programme includes four such projects, which require for the years 1973-1976 (in man/months) 108 established posts, 12 RA's, 12 extra-budgetary funded posts and 3 consultants; ECLA's work programme for 1972-1975 provides for 4 projects, requiring (again in man/months) 130 established posts and 65 consultants. And yet what is the present situation in the commissions in the field of water? ECA has one professional staff member (with a background in hydraulics and engineering); ECLA and ECWA/UNESOB have

135. Besides this word "capacity" (like the expression "backstopping") is both ambiguous and misleading. For it encompasses the concepts of both "technical capability" and "number of posts". As regards an office's "technical capability" to backstop a substantive or operational project, past experience shows that in the United Nations the strictly technical work is done mostly by outside experts (Special Technical Advisors, RA's, IRA's, consultants, etc.) funded accordingly. What the regular staff of the substantive offices and various support services do is to backstop this "technical capability" by planning, programming and evaluating it - mostly in collaboration with the experts themselves - and to administer this parallel professional establishment. Needless to say, even this requires of the staff involved both technical and administrative knowledge and experience. However, the very nature of the work such backstopping staff is expected to do, even if they started out as specialists in a given discipline, obliges them to become sooner or later, generalists. In other words, it is only rarely that the professional expertise required of a staff member to backstop a project is so unique as to become the essential criterion in deciding whether a project should be managed centrally or decentralized to the field - or vice versa. In most cases, the problem is by and large one of physical manpower, in terms of numbers of qualified professional staff available.

136. The concept of "capacity" is not only ambiguous, it is also difficult to measure in tangible terms. The Inspectors have, in section 1 of this chapter, described briefly by activity the various Headquarters and regional work programmes. They intended originally to analyse the manpower required to carry them out and the resources available and then to ascertain whether and how it would be possible, assuming that the doctrinal stumbling-block of centralized versus decentralized management were overcome, to ensure their effective execution through a strictly rational distribution of resources, to the exclusion of all other considerations. This turned out to be impossible for a number of reasons.

no professional staff in this field. Only ECAFE has a fully manned Water Resources Division of seven professional staff members. This compares to a professional establishment of five at Headquarters - in different water disciplines. It is fair to assume that even if ECA, ECLA and ECWA/UNESOB were able to recruit a complement of RA's, consultants and other short-term staff funded from extra-budgetary sources (which may not be necessarily the case), the regional inputs to the 1976 World Water Conference, with the one exception of ECAFE, are likely to be not very meaningful.

137. In the first place, all offices are able to claim that they operate under decisions of their respective legislative bodies and that all these decisions are mandatory. On the other hand, the present work programmes are, as already mentioned, often only marginally related to what will, in fact, be done and are moreover tailored essentially to available or presumed prospective resources. Then there is the perennial issue of whether the United Nations as a whole and the commissions specifically are, in fact, capable of pursuing activities that cover, as it were, the whole span of human knowledge and modern technology or whether some of this work cannot be done better elsewhere, within the system or outside it.

138. Lastly, as the AMS itself has indicated and as its surveys show, it is extremely difficult at present in the United Nations to determine rationally even for substantive work (let alone technical co-operation activities) manpower requirements as against work-load in any given field, owing to the absence of work-load standards, which vary for different kinds of activities and even at different stages of the same activity. Needless to say, the Inspectors are even less equipped than the AMS to carry out this type of in-depth study.

139. The best they could do under the circumstances was, after ascertaining to what extent some of the work-programmes covered the same ground, to analyse briefly, in the light of the statistical data in Annexes I to XIII the evolution of funding and manpower trends in the same eleven selected fields of activity - at Headquarters and in the commissions - during the years 1970-1973 to see how these resources were distributed and to draw certain general conclusions.

(a) Development Planning, Projections and Policies^{47/ 48/ 49/}

140. Expenditure (from all sources of funding) increased between 1970 and 1973 by roughly 70 per cent - from \$US 12.4 to \$US 21 million. Of the latter, 30 per cent came from the regular budget and 70 per cent from extra-budgetary resources. All five commissions were active in this field during the period under review. (See Annex III).

^{47/} The analyses that follow are based on data from Headquarters (ESA/OUSG/DAFO and OFS). Data from ECAFE, ECE and ECLA (neither ECA nor UNESOB/ECWA provided any such corrected data) in many cases differ, sometimes substantially. The Inspectors have no explanation for such differences.

^{48/} The 1973 figures represent appropriations/authorized posts.

^{49/} Any identified percentage balances are represented by UN/TA.

141. In 1970 Headquarters' share of the total amounted to some 45 per cent; by 1973 this share had increased to 49 per cent. The commissions' share on the other hand, dropped during the same period from 48 to 45 per cent^{50/} and that, even though their share of extra-budgetary resources^{51/} increased by 104 per cent (as against 89 per cent at Headquarters).

142. This situation is reflected in the evolution of the professional manpower picture. In both years Headquarters had some 76 per cent of all posts and the commissions 24 per cent. Between 1970 and 1973 a net total of 6 additional professional posts became available (one RB and five XB). Headquarters acquired altogether eleven additional posts (two RB; nine XB). The commissions, for their part, lost five posts during the same period (one RB; four XB).^{52/}

(b) Housing, Building and Planning

143. Between 1970 and 1973 expenditure (from all sources of funds) increased by roughly 77 per cent - from \$US 5 to \$ 8.9 million. Of these, 21.6 per cent came from regular budget funds and 78.4 per cent from extra-budgetary resources. Only three of the commissions were active in this field during the period under review, i.e. ECA, ECAFE and ECE (Annex IV).

144. In 1973 as in 1970 Headquarters accounted for 88 per cent of all funds; the commission's share, for its part, dropped from 5.9 to 4.9 per cent.

145. The professional staffing picture was no better. In both years, Headquarters still had 76 per cent of all posts and the commissions 24 per cent. Of the five additional posts acquired during this period, Headquarters got four (all XB) and ECE one.^{53/} It is worthy of note that all regional posts have been funded to date under the regular budget and that the one commission that obtained an additional post serves by and large developed, rather than developing countries.

(c) Population

146. Between 1970 and 1973 expenditure (from all sources of funds) increased by 120.2 per cent - from \$US 3.2 to \$US 7 million, essentially because of the growth in extra-budgetary resources (mostly from the United Nations Fund for Population Activities or UNFPA) which alone increased by 194.6 per cent (Annex V).

^{50/} The trends in each commission from one year to the next are reflected in the tables.

^{51/} i.e. "Operational programmes" and "Other extra-budgetary resources".

^{52/} ECA lost 3 (2 RB; 1 XB); ECAFE lost 3 (all XB); UNESOB/ECWA lost 1 (XB); ECLA remained stationary; only ECE gained 2 (1 RB and 1 XB).

^{53/} ECE and ECAFE remained stagnant.

147. All the commissions excepting ECLA were increasingly active in this field during the period under review, again largely thanks to the growing availability to them of extra-budgetary funds. But whereas the share of Headquarters of total expenditure increased by 151.7 per cent, that of the four commissions taken together increased by only 110.7 per cent.^{54/} And the same goes for extra-budgetary funds, which in the case of Headquarters increased by 226.9 per cent and in that of the commissions by only 136.6 per cent. As a result, whereas Headquarters' share of total expenditure went from 64.4 per cent in 1970 to 73.6 per cent in 1973, that of the commissions during the same period dropped from 27.6 to 26.4 per cent.

148. These trends are duly reflected in the professional staffing picture. Thus, whereas Headquarters' share of this manpower went from 50.8 per cent in 1970 to 57.1 per cent in 1973, that of the commissions dropped from 49.2 to 42.8 per cent during the same period. Out of a net total of 23 additional posts in this field (all of them XB), Headquarters got 17 and the commissions six.^{55/}

(d) Public Administration

149. Expenditure (from all sources of funds) increased between 1970 and 1973 from \$US 4.9 to \$US 8.5 million or roughly 73 per cent, again overwhelmingly on account of extra-budgetary resources, which more than doubled. Only two of the commissions (i.e. ECA and ECAFE) were active in this field throughout the period under review. (Annex VI).

150. Headquarters' share of all funds increased during this period from 74 to 86 per cent; that of the commissions (taken together) dropped from 4 to 3 per cent - essentially because of the cessation of activities in the ECLA and UNESOB/ECWA regions.^{56/}

^{54/} One commission did somewhat better: ECA's share rose by 154 per cent; on the other hand, ECAFE's rose by only 94.6 per cent, ECE's by 91.7 per cent and UNESOB/ECWA by 84 per cent.

^{55/} ECA got 6; ECE 1 and UNESOB/ECWA 2, ECAFE remaining stationary; on the other hand, ECLA lost 3 posts.

^{56/} Taken individually the commissions did better under both sources of funding: ECA's share increased by 49 per cent and ECAFE's by 93 per cent.

151. The professional manpower picture was as unfavourable to the commissions. Thus, while Headquarters' share of all posts increased from 85 to 88.5 per cent, that of the commissions (again taken together) dropped from 15 to 11.5 per cent. Moreover, all the 6 additional posts acquired during this period (1 RB; 5 XB) went to Headquarters; none to the commissions.^{57/}

(e) Public Finance and Financial Institutions

152. Uniquely, while total expenditure (from all funds) increased between 1970 and 1973 by some 40.7 per cent, going from \$US 2.2 to \$US 3.1 million (more or less equally divided between regular budget and extra-budgetary resources), the shares of both Headquarters and of ECA (the only regional commission active in this field)^{58/} decreased, in the first case by 6.7 and in the latter - by 2.1 per cent. On the other hand, UN/TA increased by 162.5 per cent. Uniquely, also, while both Headquarters' and ECA's shares of regular budget funds decreased too (the former at twice the rate of the latter), ECA's share of extra-budgetary funds increased more than did that of Headquarters - by 45.7 as against 39.8 per cent (Annex VII).

153. The professional manpower picture is also unusual, inasmuch as it has remained stable both at Headquarters and in the field, with a little more than two-thirds of the staff concentrated in ESA/DPFF.

(f) Resources and Transport

154. Throughout the period 1970-1973 United Nations activities in this field have held the second place (after Industrial Development) in terms of funds from all sources. However, and although regular budget funds increased somewhat during this period, the total amount of funds diminished by 2.7 per cent - from \$US 30.7 to \$US 29.9 million essentially because of a 4.3 per cent drop in extra-budgetary funding (Annex VIII).

155. All commissions (with the exception of UNESOB/ECWA) were involved in this activity during the period under review and that to a growing extent. Thus, if Headquarters' share of all funds dropped from 84.4 to 83.5 per cent between 1970 and 1973, that of the commissions went from 13.4 to 14.9 per cent; moreover, the commissions' share of regular budget funds has been consistently larger than that

^{57/} ECA got an extra-budgetary post in 1972, but lost it in 1973.

^{58/} ECLA has reported an expenditure of \$US 13,000 and 1 post in 1970; these figures are not confirmed by ESA and OFS.

of Headquarters. But then, regular budget funds have never accounted for more than 13.5 per cent in this field, the bulk of funding coming from extra-budgetary sources. And the commissions' share of these has never exceeded 8.8 per cent.^{59/}

156. The professional manpower situation reflects this unfavourable situation as far as the commissions are concerned. Thus, if their total manpower continued to exceed that of Headquarters, between 1970 and 1973 it dropped from 54.0 to 52.7 per cent, while that of Headquarters increased from 46 to 47.3 per cent. Moreover, whereas the latter was more or less equally divided between RB and XB posts, the commissions' staff was funded exclusively under the regular budget. Lastly, whereas Headquarters between 1970 and 1973, lost 8 RB and got 9 XB posts, i.e. a net gain of 1 post; the commissions, taken together, lost 3 RB posts and these losses have not been made up for.^{60/}

(g) Science and Technology

157. This is still the smallest of all United Nations programmes in the economic and social field. Nevertheless, funds rose by some 54.8 per cent during the period under review - from \$US 436,000 to \$US 675,000.

158. As can be seen from Annex IX this activity presents a number of unusual features. In the first place, it is funded exclusively under the regular budget; then there has never been any UN/TA allocation; while Headquarters' share of funds dropped during the period under review - from 82.6 to 67 per cent, that of the commissions increased accordingly, almost doubling from 17.4 to 33 per cent, to a significant extent because in addition to ECA (which has always been active in this field), ECAFE and ECE have since 1972 become likewise involved. Lastly, all 7 additional professional posts that have become available since 1970 have gone to the commissions - at the cost of 1 Headquarters post.

^{59/} This situation applied as much to most individual commissions as it did to them taken together. Thus, while in 1973 the total budgets of ECA, ECAFE and ECLA were larger than they had been in 1970, and those of Headquarters and ECE were smaller, this was due essentially to increased regular budget funding. Only ECA received also a larger share of extra-budgetary funds.

^{60/} Again, individual commissions did somewhat better than the average. Thus, ECA obtained 1 additional post and ECAFE as many as 13; on the other hand, ECE lost 11.

(h) Social Development

159. Total funding (from all sources) increased between 1970 and 1973 by 134 per cent - from \$US 4.7 to \$US 11 million - overwhelmingly on account of extra-budgetary resources. All commissions excepting ECE were active in this field throughout the period under review (Annex X).

160. While Headquarters' share increased from 55.8 to 61 per cent, that of the commissions increased too, but twice as slowly - from 22.6 to 24.8 per cent; on the other hand, their share of extra-budgetary funds, in terms of percentage of the total, almost equalled that of Headquarters.

161. The professional manpower picture evolved likewise less favourably to the commissions. In the first place, Headquarters' staff has been consistently roughly twice as numerous as regional staff. Then, out of a net total of 9 additional posts made available during this period, 8 went to Headquarters and only 1 to the field (ECLA), again thanks to extra-budgetary funds.^{61/}

(i) Statistics

162. As can be seen from Annex XI, funding increased between 1970 and 1973 from \$US 6 million to \$US 9.7 million or roughly by 62 per cent, whereby extra-budgetary resources increased almost four times as fast as regular budget funds (113.3 against 25.7 per cent).

163. Together with ESA's Statistical Office, all but one of the commissions (UNESOB/ECWA) were active in this field during the period under review, but whereas Headquarters' share of all funds increased by 4.8 per cent between 1970 and 1973, that of the four commissions taken together declined slightly - by 0.1 per cent. On the other hand, the rise in the commissions' share of regular budget funds exceeded that of Headquarters (41 per cent against 32.5 per cent) and almost matched Headquarters in terms of extra-budgetary funds (112.3 against 113.6 per cent). Moreover, with the one exception of ECE, the individual shares of all commissions rose much faster than that of Headquarters.^{62/}

^{61/} ECA lost 2 posts; ECAFE gained 2; UNESOB/ECWA gained 1.

^{62/} ECA: by 75.6 per cent; ECAFE: 71.5 per cent; ECE: 26.5 per cent; ECLA: 66.9 per cent.

164. While Headquarters' staff has consistently exceeded regional staff in this field too (accounting for from 55.6 to 60 per cent of all professional posts), out of the total number of 14 additional posts made available since 1970, only 3 have gone to Headquarters, while 11 have gone to the commissions. On the other hand, of the 7 additional posts funded from extra-budgetary sources, 6 went to Headquarters and only 1 to the field.

* * *

165. As can be seen from Table 4, total expenditure (for 1973, appropriations) on all eleven selected fields of activity increased between 1970 and 1973 by some 51 per cent. The growth at Headquarters was somewhat faster than in the field - 55.7 as against roughly 50 per cent. But whereas the relative ratio of Headquarters of this total increased during this period by 2.4 per cent, that of the commissions dropped by 0.4 per cent.

166. The professional manpower available (or authorized) at the various offices to handle these activities is likewise pictured in Table 4. We see that between 1970 and 1973 the number of professional posts held (for 1973, authorized) increased by roughly 14 per cent. At Headquarters' offices the rate of increase was almost ten times that of the commissions - 22.2 as against 2.3 per cent. Moreover, again, whereas Headquarters' relative ratio of this manpower increased by 4.2 per cent, that of commissions decreased by 4.2 per cent.

167. Lastly, Table 4 shows the relative importance of regular budget funds and extra-budgetary resources during the period in question for the same eleven selected fields of activity at, respectively, Headquarters and in the field.

168. We see that in 1970 the regular budget accounted for 21.7 per cent of the expenditure on the eleven selected activities at Headquarters' offices and for 56 per cent in the commissions. For their part, extra-budgetary resources accounted for, respectively, 78.3 and 44 per cent. In 1973 (appropriations) the regular budget share had dropped at Headquarters' offices to 20.3 and in the commissions to 43.4 per cent, while that of the extra-budgetary resources had risen, respectively, to 79.7 and 56.6 per cent.

169. Manpower trends followed a somewhat similar pattern. Between 1970 and 1973 the number of posts funded under the regular budget dropped from 88.7 to 79.5 per cent at Headquarters' offices and from 92.7 to 91.5 per cent in the commissions. Conversely, those funded from extra-budgetary resources increased from 11.3 to 20.5 per cent at Headquarters' offices and from 7.3 to 8.5 per cent in the commissions.

170. The same, generally adverse, evolution of the situation as far as the commissions are concerned appears from an analysis of Table 5, which summarizes the data (by field of activity) that appear in Annexes I to XIII.

171. Only in two cases (Resources and Transport; and Science and Technology) did Headquarters' share of funds during the period 1970-1973 drop while the commissions' share increased. In five other cases (Industrial Development, International Trade, Population, Social Development and Statistics) both increased, but at Headquarters substantially more so than in the field. In two further cases (Housing, Building and Planning and Public Administration) Headquarters' share remained unchanged or increased, while that of the commissions fell. Only in one case (Public Finance and Financial Institutions) was there a drop in funding both at Headquarters and in the field.

172. The professional manpower trends are almost consistently detrimental to the commissions. Between 1970 and 1973 altogether 153 new posts (net) were authorized in these eleven fields of activity - 59 under the regular budget and 94 from extra-budgetary funds. Of these, 143 (55 RB and 88 XB) went to Headquarters and only 10 (4 RB and 6 XB) to the commissions. An analysis of individual year-spans (1970-1971; 1971-1972 and 1972-1973) gives approximately the same ratios.

173. Only in one activity (Statistics) were the commissions given a significantly larger share of additional posts than Headquarters and again only in one field (Science and Technology) did they obtain additional posts at the cost of Headquarters. In all other cases, they either lost posts while Headquarters gained some or else were given a much smaller share of additional manpower than Headquarters.

174. The Inspectors note furthermore that whenever Headquarters' offices lost posts under the regular budget, these losses were almost invariably made up for by XB-funded posts. In the case of the commissions this happened only once; in Social Development they lost 2 RB and gained 3 XB posts, or a net gain of 1.

Table 5

United Nations activities in eleven selected economic and social fields. Expenditure^{a/} and professional manpower^{b/} trends (by activity). Headquarters and all regional economic commissions. 1970-1973
(all sources of funds)

Activity	Expenditure ^{c/}			Professional Manpower ^{d/}								
	Total	HQ	REC's	Total			HQ			REC's		
				Sub- total	RB	XB	Sub- total	RB	XB	Sub- total	RB	XB
Development Planning, etc.	<u>70</u>	4	(3)	<u>6</u>	1	5	<u>11</u>	2	9	(<u>5</u>)	(1)	(4)
Housing, etc.	<u>77</u>	n.c.	(1)	<u>5</u>	2	7	<u>4</u>	(3)	7	<u>1</u>	1	-
Industrial Development	<u>58.3</u>	68.2	2.7	<u>n.c.</u>	(13)	13	<u>14</u>	1	13	(<u>14</u>)	(14)	-
International Trade	<u>104.7</u>	122.3	47.2	<u>86</u>	71	15	<u>80</u>	65	15	<u>6</u>	6	-
Population	<u>120.2</u>	151.7	110.7	<u>23</u>	(2)	25	<u>17</u>	(2)	19	<u>6</u>	n.c.	6
Public Administration	<u>73</u>	12	(1)	<u>6</u>	1	5	<u>6</u>	1	5	<u>n.c.</u>	n.c.	-
Public finance, etc.	<u>40.7</u>	(6.7)	(2.1)	<u>n.c.</u>	(2)	2	<u>n.c.</u>	(2)	2	<u>n.c.</u>	n.c.	-
Resources and Transport	(<u>2.7</u>)	(0.9)	8.0	(<u>2</u>)	(11)	9	<u>1</u>	(8)	9	(<u>2</u>)	(3)	-
Science and Technology	<u>54.8</u>	(15)	15	<u>6</u>	6	-	(<u>1</u>)	(1)	-	<u>7</u>	7	-
Social Development	<u>134</u>	5.2	2.3	<u>2</u>	3	6	<u>8</u>	5	3	<u>1</u>	(2)	3
Statistics	<u>62</u>	4.8	0.1	<u>14</u>	7	7	<u>3</u>	(3)	6	<u>11</u>	10	1
				<u>153</u>	<u>59</u>	<u>94</u>	<u>143</u>	<u>55</u>	<u>88</u>	<u>10</u>	<u>4</u>	<u>6</u>

a/ For 1973, appropriations

b/ For 1973, authorised posts

c/ % of increase (decrease)

d/ Additional posts actually held; increase (decrease)

Sources: ESA/OFS; UNCTAD and UNIDO secretariats

175. It follows that both in terms of available funds and in terms of professional manpower the commissions, taken as a whole, have in all too many cases not only not been strengthened in recent years but have, in fact, regressed. Although individual commissions have done better in some fields (or in some years) than all of them taken together, the overall picture points to a growing concentration in most fields, of financial and manpower resources at Headquarters. Indeed, the only positive development, as far as the commissions are concerned, appears to be the growing availability to them of extra-budgetary resources, mostly in the form of funds-in-trust or "other extra-budgetary funds".

176. In these circumstances, for Headquarters to invoke the commissions' alleged present lack of "capacity" by way of an argument against further decentralization of United Nations economic and social activities to the field appears to beg the question. Indeed, if "capacity" is related to resources and the commissions lack the latter, this is because Headquarters has been generally reluctant to provide such resources to them even when additional responsibilities were placed upon them by their respective governmental bodies or by Headquarters itself. This applied particularly to UNDP-funded activities. So long as these trends continue, it is unlikely that the commissions will ever have the "capacity" to do more than they are doing at present.

VI. CO-ORDINATION OF ACTIVITIES BETWEEN HEADQUARTERS
AND THE REGIONAL ECONOMIC COMMISSIONS

177. The importance of the co-ordination of activities between different offices of the United Nations is self-evident. However, the Inspectors consider that the importance of effective co-ordination acquires an even greater significance in the context of appropriate decentralization and distribution of functions and responsibilities between Headquarters and the commissions, in order to ensure harmonization of programmes between these bodies and a unified and integrated approach.

178. Indeed, as the ACABQ pointed out in 1968, "an expansion of the operational role of the regional economic commissions would demand a far greater degree of co-ordination between the commissions and the central departments of the United Nations (ESA, UNCTAD and UNIDO) and between the commissions and the specialized agencies. In the absence of such an integrated approach, the United Nations technical co-operation activities in the region would be plagued by overlap and conflicting jurisdictions" (E/4733/Add.2).

179. Existing methods of co-ordination between the commissions and Headquarters are said to include essentially the following:

- (a) consultations between the substantive divisions at Headquarters and the commissions on their respective work programmes;
- (b) personal contacts between individual senior officials of the Headquarters and regional offices concerned, and
- (c) correspondence between individual offices at Headquarters and in the field.

180. Already in their 1969 report on ECAFE (E/4781) the Inspectors had suggested that before the commissions' budget estimates went to the Budget Division, ESA should look into their substantive aspects and act as a focal point for co-ordination in the light of the varying trends in the different regions. The Secretary-General welcomed this as "a valuable supplement to the review undertaken by the internal Budget Review Groups" (E/4781/Add.1). Indeed, prior consultations on work programmes between offices is now mandatory under ECOSOC resolution 1549(XLIX).

181. Accordingly, the regional work programmes are available to the substantive offices at Headquarters, just as the latter's work programmes are supposed to be made available to the commissions. Both sides are expected to comment, make suggestions and, if necessary, arrangements as to possible collaboration and distribution of work.

182. There was in the past (as there is today) no lack of personal contact between senior Headquarters and regional staff. First of all at Headquarters level, there are the twice-yearly meetings of the executive secretaries under the chairmanship of the Under-Secretary-General, at which UNCTAD, UNIDO and UNDP are also represented. Then there are the annual programming consultations now institutionalized by UNIDO, at least one of which, in 1969, involved a UNIDO-funded visit of the executive secretaries to Vienna and by UNCTAD in the case of ECE. Lastly, the commissions are supposed to be represented at key decision-making sessions of Headquarters bodies. In the field, the executive secretaries meet periodically with the resident representatives of UNDP - singly or at the latter's annual meetings. Senior Headquarters or regional staff are occasionally also able to exchange formal or informal visits, when they attempt to co-ordinate some of their activities.

183. Moreover, there is sometimes more or less extensive correspondence between the substantive officers at Headquarters and their opposite numbers in the commissions.

184. All this, however, is not enough. Indeed, as the Inspectors will presently show, the situation is at best patchy - good in one activity or year or in the case of one or other commission; less so in another activity or year or in the case of some other commission.^{63/} Thus while in some fields (e.g. Housing; Building and Planning; Population; Public Administration and especially Statistics) there appear to be fairly continuous consultations and by and large adequate co-ordination of work-programmes, with a resulting active participation of some commissions in some activities - though not necessarily a consequent adequate distribution of resources - in other fields this seems to be not the case. Nor is it clear to what extent the substantive work done by the commissions is utilized by Headquarters. In some important areas, material emanating from the field is no doubt consulted, but more for reference than as basic material produced by them at the request and on behalf of Headquarters.

^{63/} As will be noted, the Inspectors quote more examples of regional work duplicated by Headquarters than vice versa. This is due to the fact that while virtually all the commissions provided information in this respect, only one of the substantive divisions at Headquarters did so. Nevertheless, the Inspectors do not doubt that responsibility for any duplication of effort that exists rests with both Headquarters and the field and is caused essentially by the virtual absence of genuine dialogue between many central and regional offices.

(1) Co-ordination of research and studies

185. In the field of Development Planning, Projections and Policies (CDPPP) has secured the participation of the commissions and made good use of their expertise and experience as regards the formulation of the International Development Strategy. According to ECAFE, there was in 1973 good harmony and co-ordination in the formulation and carrying out of studies, generally. However, in that same year this does not seem to have been the case with some of the other commissions. Thus, while all regional programmes are invariably forwarded to Headquarters for comments and suggestions, the Inspectors understand that there is no reciprocity.

186. Even though only one commission (ECA) was active in the field of Public Finance and Financial Institutions during the period under review, and no activities with specific regional components could be identified in Headquarters' work programme, the Inspectors were informed that several were of considerable regional interest and ECA could have made a meaningful contribution to four of them. Yet no specific consultations or co-ordination had taken place between Headquarters and the Commission in this respect.

187. Although the United Nations programme in the field of Resources and Transport is one of its largest and although all but one of the commissions (i.e. UNESOB/ECWA) is active, it is in this field that the Inspectors have heard just about the largest number of complaints - on both sides - or identified the greatest number of examples of alleged or apparent inadequate consultations and co-ordination between Headquarters and the field and in some cases, even a complete absence thereof. In the area of Natural Resources, for example, there have been no co-ordination and harmonization of Headquarters and regional programmes either at the formulation stage or during execution. Each seems to work on its own and often on parallel lines. So far as extra-budgetary programmes are concerned, the commissions hardly come into the picture at all; this is particularly true in the case of UNDP-funded projects, for which the Resources and Transport Division at Headquarters functions virtually like a specialized agency.

188. Most projects in the field of Natural Resources listed in Headquarters work programme for 1973-1975 are of regional interest and yet no consultations had, the Inspectors were told in 1973, so far taken place between Headquarters and ECA on the subject. Headquarters had prepared for the first meeting of the Committee on Natural Resources in 1971 a paper entitled "Natural Resources Development and Policies, including

Environmental Considerations" - Note of the Secretary-General (I/C.7/2/A2). ECLA would have welcomed the opportunity to comment on this document, since it contained in its opinion a concept harmful to the interests of the Latin American countries and conflicted with the ideas of the developing countries in general and with those advocated by the ECLA specifically. Yet, it was not consulted.

189. In the area of Ocean Economics, although ECA's meagre resources again did not allow it to make a meaningful contribution, it found in 1973 that at least three Headquarters projects, i.e. "Marine Science and Technology"; "Economic Aspects of Marine Technology" and "Institutional Problems of Marine Space Development", were also of regional interest. Yet there had been little or no consultations between Headquarters and Addis Ababa on these topics.

190. In the area of Water Resources, the Inspectors were told in 1973 that although ECAFE had recently assisted Headquarters in the preparation of a manual on Flood Damage Prevention in Developing Countries and in the revision of a manual on the Principles of Water Resources Management, contact between Headquarters and the field had been confined otherwise to joint attendance at various meetings.

191. In the area of Transport and Communications, the Inspectors were informed in 1973 that even though ECA had no spare capacity for additional work, Headquarters almost never consulted ECA's Transport and Communications Division on its own work programmes, whether at the formulation or implementation stages, and that any meaningful contribution by ECA to the work of ESA/RTD was only through "accidental coincidences". Judging by ECA's comments on some of the projects in Headquarters' programme in this field and its critical attitude towards certain "one-shot" studies such consultations would seem desirable. In 1971 ECLA had already informed the Inspectors that Headquarters' work programme "is not precisely known" to its officials.

192. In the area of Tourism, the Inspectors were told that studies were sometimes undertaken by Headquarters without consultations with ECA or consideration of its work programme. ECAFE likewise suggested that there appeared to be some duplication of efforts between Headquarters and the field as regards tourism and international travel.

193. Complaints at Headquarters were equally vocal. Thus, the issue of the so-called "Energy crises" was allegedly being tackled by each commission on its own, without any attempt at co-ordinating programmes with Headquarters or even among themselves and this despite the fact that Headquarters had been working for many years in that area and had

acquired considerable experience and expertise. Specifically, ESA/RTD/Energy was preparing for the coming (1975) session of the Committee on Natural Resources a study on the "World Energy Situation", on which it had had consultations i.a. with ECLA and had even had valuable assistance from the latter. Yet, two ECLA studies on the energy crisis had not been co-ordinated with Headquarters, even though they contained obvious global elements. Nor was Headquarters even mentioned among the so-called "links" with other interested bodies. The same went for an ECLA project on Mining.

194. Though ECA has a special Cartography Unit, communications (not to mention co-operation or even co-ordination) with the Cartography Section of ESA/RTD were, the Inspectors were told, "non-existent". This contrasted with ECAFE, with which (though the latter has no special unit) there was "full co-operation".

195. Two current ECLA projects in the field of Transport, both of them with global connotations or relying on global experience and in both of which ESA/RTD appears to have not only considerable expertise, but had in the past consulted and co-operated closely with ECLA, mention among their "links" consultations with various other offices, but not with ESA/RTD.

196. In the field of Social Development co-ordination appears to be equally patchy - better with one commission than with another, even in the same year. Thus in 1971 the Inspectors were informed about instances of conflict or duplication in the work done by Headquarters and ECA in country and regional data collection and sampling. ECAFE, on the other hand, informed the Inspectors, also in 1971, that barring certain cases of operational activities, co-ordination with Headquarters had been "progressively improving in the last few years" and that the Commission's work programmes are seen by Headquarters. However, there had been occasions when a Headquarters' publication was seen only by chance in a Member country or in a specialized agency and had to be specially requested, instead of being made available automatically to the commissions.

(2) Co-ordination of technical co-operation activities

197. The situation is often no better and sometimes worse in the case of operational activities than as regards research and studies. Here again the Inspectors were told about or were able to identify a number of instances of overlap or duplication in virtually every type of technical co-operation project. This, in their opinion, could have been avoided if closer consultations were held and better co-ordination existed between the various offices concerned.

(a) Advisory Services

198. The Inspectors have already mentioned that due to the poor demarcation of responsibilities between IRA's and RA's and inadequate contacts between Headquarters and the field, there does not seem to be any organized co-ordination between IRA assignments and those of the RA's. Thus, while the commissions forward their quarterly RA assignment forecasts to Headquarters for its information, the latter does not inform the commissions of the IRA's work programmes. Though, in theory, these RA quarterly reports are supposed to prevent IRA's from being sent to regions where RA's with adequate expertise are available, this appears to happen time and again. Neither do the commissions receive the IRA's reports and recommendations; nor, lastly, are they informed about follow-up action (if any). Sometimes the damage can be corrected, the commission concerned taking over such follow-up, but not always.

199. Worse still, although administratively they are run by a special OTC section within one of the Area Branches, these Branches themselves complain about knowing nothing about IRA assignments; they merely receive their personal dossiers, which do not include even an evaluation of their past work.

200. The Inspectors heard several complaints about alleged duplication of work between IRA's and RA's in fields where regional expertise matched that of Headquarters. One of the dangers inherent in such duplication is that the two experts - one from Headquarters, the other from the region - advising a Government on the same problem may give conflicting advice. Moreover, IRA's are apparently sometimes inclined to recommend follow-up action by Headquarters (particularly because of potential extra-budgetary funding there), even though such follow-up could be handled at less cost by the commission.

201. According to Headquarters, all this is admittedly unfortunate but due to lack of staff (one-third of the professional staff of the OTC section responsible for the IRA's are apparently trainees) and to the shortage of cable funds, it is allegedly unavoidable.

202. The Inspectors are not satisfied with such explanations. As already mentioned, there is clearly a need to delineate the respective roles and responsibilities of the IRA's and RA's. Furthermore, the former's work programmes should be communicated as a matter of routine to the commissions. Whenever a country request for an IRA arrives at Headquarters the latter should first ascertain whether an RA with adequate expertise in the same field is available in the region and whether his travel programme can be adjusted to include the assignment in question. Only if those two conditions cannot be met, should an IRA be sent out into the region in question.

203. Any additional expenditure such basic co-ordination may involve could be defrayed by reducing the number of IRA's, as the Inspectors have suggested, bearing in mind such considerations as their sometimes questionable qualifications and poor field presence record.

(b) Seminars, workshops, study-tours, etc.

204. Here again, co-ordination appears to be patchy - good in some fields or in some regions, not so good or inadequate in others.

205. Although this type of activity is said to be largely decentralized, a number of regional seminars are still undertaken by Headquarters, even in new fields, where the initial global input should be marginal. Moreover, even if the subject of such a Headquarters-run regional seminar is agreed, no consultations are held on priorities or on which countries should be invited. This appears to be particularly true of inter-regional meetings and seminars - a Headquarters responsibility in which, moreover, the commissions can rarely participate for lack of travel funds. These have been sometimes called without the commissions being consulted or even informed, though in some cases they may be involved in follow-up action; or when informed about the seminar, the commissions are often not consulted as to its agenda or priorities, nor about which countries from the various regions should be invited. Also, not enough consideration seems to be given to the linking and timing of inter-regional and regional seminars on the same topic.

206. The commissions, for their part, are also inclined to ignore the substantive offices at Headquarters when planning their regional seminars and that, even though the expertise and experience there may be greater than in the field and Headquarters could provide support to a commission that lacks them and is therefore at present inactive in a given area.

207. Over and above the improved consultations and co-ordination between Headquarters and the field generally (about which the Inspectors will have a number of concrete suggestions to make at the end of this chapter), they believe that all regional seminars, work-shops, study-tours, etc., whether originating in the field or at Headquarters, should be planned and co-ordinated between the offices concerned. To the extent of their willingness to do so, the commissions should also service, wholly or in part, all those that are organized by Headquarters in their respective regions.

(c) Individual or group missions

208. Despite past assurances about improved co-ordination being developed in this regard, problems still seem to arise in the case of individual or group missions from Headquarters to the field, involving sometimes personnel from other organizations and even individuals or firms outside the United Nations. No prior consultations are held with the commission in question, the travellers being merely routinely briefed at a Headquarters office; that is, unless a commission happens to find out about the mission in question and insists on being included in the briefing. Even when a project is conceived as a joint study and a commission is asked to provide staff to accompany a team, such co-ordination is apt to remain strictly formal, with no joint discussions as to policy, analyses and recommendations.

209. It goes without saying that the commissions should have, as a matter of routine, advance information about all individual or group missions organized by any Headquarters office to their respective regions. Whilst active association or participation in such missions and even briefing and de-briefing at a regional headquarters may not always be necessary, this should not be decided unilaterally by the Headquarters office concerned but should result from a joint understanding.

* * *

210. The Inspectors appreciate, of course, the difficulties that have stood and continue to stand in the way of a rational planning and programming of United Nations economic, social and related activities. They also realize that even at their best, consultations on, and co-ordination of work programmes will not provide answers to all co-ordination problems and that these must be accompanied by concrete measures, both organizational and pragmatic. But they believe that even within the framework of existing structures and procedures it should be possible, given the will to do so, to have much better co-ordination than has been the case to date and to make of consultations much more than a pro forma exercise. A few examples are given in the paragraphs which follow.

211. The Inspectors have examined the correspondence between the various offices concerned regarding the regional work-programmes. Earlier in this report they have noted that these programmes vary greatly in presentation, comprehensiveness and quality of the information supplied. Specifically as regards co-ordination, some specify so-called "links", i.e. the offices with which a commission proposes to consult or

co-operate with on a given project; others do not do so even though presumably some consultations and co-operation may take place nevertheless.

212. On the other hand, the comments of the substantive offices - when submitted at all - are likewise of uneven quality: some are detailed and constructive and provided they are presented on time (which is not always the case), should be helpful. Others seem by and large perfunctory.^{64/}

213. Moreover, the regional programmes are apparently not seen regularly by the Area Branches of OTC.

214. A number of reasons were given to the Inspectors to explain this uneven interest:

- owing to the commissions' virtual autonomy in the formulation of their programmes, the comments of Headquarters were bound to weigh but lightly against, say, regional legislative decisions;
- the programming timetables allowed too little time for effective consultations;
- work programmes, serving as they do essentially as a convincing framework for obtaining funds rather than as an accurate reflection of what will be done once funds are approved, corresponded rarely to reality anyway.

215. The most valid argument of all, however, in the Inspectors' opinion, is that whatever exchanges there are, take place at the final, budgeting stage, rather than at the planning and programming stage, when they would be most useful. Moreover, as already mentioned, some regional offices maintain that ECOSOC resolution 1549 (XLIX) notwithstanding, they do not see Headquarters' work-programmes. There is thus no reciprocity in the consultation process and hence also no co-ordination in the proper sense of that word, but merely a vetting of regional programmes by Headquarters - primarily at the financial end.

216. Generally speaking, consultations on the co-ordination of the work-programmes of United Nations bodies should be timely and reciprocal and should take place at all stages of a programme, starting with its inception. Specifically:

- global or inter-regional activities should as far as possible be preceded by sub-regional and regional activities on the same topic;

^{64/} One Director told the Inspectors that he had never seen a regional programme and "had no idea what the commissions were up to".

- Headquarters' work programmes should, as appropriate, relate each project to the sub-regional or regional activities (from all sources of funding) in a given field being done at present or planned (if any);
- Wherever possible, sub-regional and regional activities should be planned to serve as inputs to global or inter-global activities;
- global or inter-regional components of sub-regional or regional activities should normally be the responsibility of Headquarters' offices;
- sub-regional and regional components of global or inter-regional activities should normally be the responsibility of the regional commissions.

217. The final work programmes should indicate clearly the responsibilities of and the inputs to be provided by the commissions and by Headquarters and the timetable for such contributions. In addition:

- the programmes should give alternative solutions to projects with appropriate cost/benefit projections in each case;
- the costing should indicate all potential funding, whatever the source.^{65/}

218. If necessary, Headquarters staff should^y be seconded temporarily to the field to assist in the various phases of programming.

219. As regards the executive secretaries' twice-yearly meetings, these are very useful but are naturally confined to a discussion of broad issues and policies; no real programme co-ordination exercises are or indeed can be undertaken; this is confirmed by perusal of the minutes of such meetings.

220. The Inspectors are a little sceptical, generally, about the value of so-called "co-ordination meetings", which often accomplish little more than an exchange of generalities, their cost being sometimes out of all proportion to the benefits derived from them. Besides, there are nowadays so many programming-meetings of all types in any one year - global, regional, sub-regional, sectoral and inter-sectoral - and their venues are so unco-ordinated that if all of them were to be covered, senior officials would be doing little else. They, therefore, fully agree with the Administrator of UNDP, who at the seventeenth session of the Governing Council in 1973, insisted, with

^{65/} In his report on "Medium-term planning in the United Nations system" (JIU/REP/74/1) Inspector Bertrand has elaborated upon the importance of the "regional level" (i.e. within the context of the United Nations, of the commissions) in defining objectives, programmes and priorities for international technical co-operation, whether global, regional or by country.

reference to UNDP programmes (though this applies to all such venues) that programming meetings generally should be "based on carefully prepared agendas and backed up by the necessary staff work, including on the side of UNDP, prior inter-Bureaux consultations, to ensure harmony of approach and of policy interpretation" (DP/19).

221. Experience shows that the level at which the most effective consultations and co-ordination takes place is that of the division and office directors. The Inspectors have been told that official visits of chiefs of divisions or other representatives of the commissions to Headquarters for the purpose of programme co-ordination seldom take place; and in any case inadequate travel funds in the field largely foreclose this possibility.^{66/} As to the visits by representatives of ESA to the commissions for the same purpose, these are also few and far between and when they do take place, very often assume the character of flying visits.

222. The Inspectors attach particular importance to regular and systematic prior consultations and co-ordination of United Nations work-programmes at the regional level, about which more will be said in the following chapter of this report.

223. Good co-ordination between Headquarters' offices and the field seems to depend nowadays still all too often on good personal relations "at the top", i.e. between individual directors and their opposite numbers. Time and again the Inspectors were told about the high quality of this or that "personal relationship", this being judged apparently, a token of the effectiveness of present arrangements. The Inspectors are the first to commend such a situation where it exists but they wonder whether co-ordination should not rest on something more tangible than a good personal relationship. Indeed the very fact that the same Headquarters office may have better co-ordination with some commissions than others or with the same commission in some years than in others, points to the insufficiency of the personal equation.

224. One thing is obvious, no institutional or pragmatic arrangements, indeed not even legislative decisions, can achieve much in terms of improved co-ordination unless there exists a team-work approach and readiness, on all sides, to give as well as to take. Although there is a growing awareness of the need for such an attitude and this, needless to say, the Inspectors welcome, they believe that much needs still to be done.

^{66/} A notable exception is the attendance by the chiefs of the Social Divisions in the commissions of meetings of the Social Commission, to which they are invited and this, the Inspectors understand, is used for constructive discussions between the regional representatives and the new centre for Social Development and Humanitarian Affairs at Headquarters as regards their programme.

VII. THE MANAGEMENT OF UNITED NATIONS
TECHNICAL CO-OPERATION ACTIVITIES

225. The management of a technical co-operation project under the regular budget or for which the United Nations (or UNCTAD or UNIDO) have been appointed executing or participating agency, involves, as was shown, a large number of services.

226. Despite the impressive volume of guidelines, rules and directives governing the various operations, there seems to be general agreement that this management in the United Nations leaves much to be desired. Indeed, none of the services concerned seem happy about the performance of the others.

227. The Inspectors will dwell briefly on the functions and methods of work of some of the offices concerned.

(1) Management Structures

(a) Office of Technical Co-operation (OTC)

228. At present, the planning, programming, execution, evaluation and follow-up of all technical co-operation activities (irrespective of their source of funding) for which the United Nations is responsible as executing or participating agency, rests with ESA's Office of Technical Co-operation or OTC.^{67/}

229. OTC deals, i.a. with the General Assembly's Second Committee, ECOSOC, the Governing Council of UNDP and the authorities responsible for various funds-in-trust and bilateral programmes, the specialized agencies, the commissions, the development banks and institutes, etc. Within the Secretariat it must deal with some twenty other offices involved in the backstopping of United Nations technical co-operation programmes. OTC's operations are now carried out through three so-called "Area Branches"^{68/} backed by a Support Services Branch, which includes a Fellowship Section, an Administrative Section and a Reports Section.

^{67/} UNIDO manages its own technical co-operation activities.

^{68/} i.e., Africa; Asia and the Middle East; and Latin America, Europe and inter-regional projects. Each of them, in turn, consists of a Physical Resources Projects Section (Energy, Housing, Mining, Transportation and Water) and a Human Resources Projects Section (Development Planning, Public Administration, Public Finance, Population, Social Development and Statistics), as well as a Planning and Evaluation Unit. Science and Technology is handled on an ad hoc basis.

230. Despite the fact that 80 per cent of OTC's staff time appears to be devoted to project management and support, with only 20 per cent occupied with policy formulation and direction and project programming, project delivery is apparently increasingly slow and cumbersome, monitoring is more and more superficial and evaluation virtually non-existent.

231. Having noted this, it is only fair to add that the responsibility for such deficiencies as have been noted by various earlier reviewing bodies does not rest entirely with OTC. On the other hand, the Inspectors believe that some of them may be attributable to undue centralization of the management of many activities that could be decentralized to the field. Were genuine decentralization to take place and be accompanied by an appropriate strengthening of the commissions through the transfer of some OTC staff, the Office might be able to devote more of its attention to those responsibilities which it is now apparently neglecting.

(b) Regional Commissions Section

232. The Regional Commissions Section was established in 1951. It is now part of the Office of the Deputy to the Under Secretary-General, in charge, also, of the Economic and Social Council Secretariat and the Special Projects Section, where it serves as focal point for liaison at the working level between Headquarters and the commissions and between the commissions themselves.

233. As such, it keeps the commissions informed of substantive and policy developments at Headquarters and of legislative decisions of interest to them, just as it keeps Headquarters offices informed about regional developments of interest to them. It assists the latter in obtaining regional contributions, as required, and provides a two-way flow of documentation on matters of common interest to Headquarters and the field. Lastly, it assists the commissions in their negotiations or dialogues with or requests for information from Headquarters offices and represents them at Headquarters meetings, as required.

234. It also prepares and services the twice-yearly meetings of the executive secretaries and writes the reports on them, as well as the analytical summaries of the annual reports of the commissions (as required under ECOSOC resolution 1817 (XLV)).

235. Without wishing to under-rate the value of these various activities, the Inspectors cannot escape the impression that the Section, apart from its servicing duties in connexion with the executive secretaries' meetings, is by and large a knowledgeable

mail-box and that it exercises little authority and influence of a policy or substantive nature whether on behalf of Headquarters in the field, or on behalf of the commissions at Headquarters. Improved co-ordination between the various offices concerned (which, as the Inspectors have said, is a crucial element in the move towards greater decentralization) requires that the Regional Commissions Section's responsibilities be re-defined and enhanced. Specifically, it could assume the role of "trouble shooter" on behalf of the Under Secretary-General for Economic and Social Affairs and be made responsible for negotiations between the substantive offices at Headquarters and the commissions and between the commissions themselves, in order to achieve better co-ordination of work programmes and meeting schedules, and a more systematic exchange of experience, etc., as well as closer co-operation between the Centre and the regions, and between regions. The Section should be strengthened and be given the necessary authority to these ends.

(c) Technical assistance co-ordination units (TACU's)

236. In 1961 the Economic and Social Council, in its resolution 823 (XXXII), had recommended the establishment of so-called "Technical assistance co-ordination units".^{69/} By 1964 such units existed in four of the five regions.

237. Though part of the executive secretaries' offices, the TACU's are, in effect, the regional arms of OTC, to which they are responsible for ensuring that all technical co-operation projects (irrespective of their source of funding) that have been decentralized to the regional commissions in question or to which the latter contribute in one way or another, conform to accepted criteria. They are also responsible for the co-ordination of the day-to-day management of such projects and in some cases for their management itself. The units intervene at all stages of a project. They also act as a clearing house between the substantive offices on the one hand and the financial and administrative services on the other.

238. The establishment of the TACU's was depicted at the time as a major decentralization measure. Actually, the commissions have apparently gained thereby little additional authority, but they have acquired what has been described as "experts in residence" from Headquarters, who can do much to ensure a project's smooth implementation. Indeed, however limited, the units seem to play a valuable function - both in

^{69/} See also ECOSOC resolution 955 (XXXVI) and General Assembly resolution 1941 (XVIII).

stimulating technical co-operation activities in the regions and in ensuring the respect of prescribed standards for the conduct of such activities.

239. Though their strength varies from one region to the other, the units share in most regions in the overall staff shortage and as a result, they seem barely able to handle even their present responsibilities.^{70/} Moreover, though not outposted but an integral part of the commissions their members are liable to be recalled to Headquarters after a spell of duty, or posted to another region.

240. Given their present staffing situation, any major additional decentralization of activities would clearly strain the capacity of the TACU's beyond the point of reason. It goes without saying, therefore, that such decentralization should be accompanied by a strengthening of the units, either through additional recruitment or, more logically, through the transfer of some OTC staff to the field, and by an increase in their management responsibilities.

* * *

241. The Inspectors have mentioned that on account of the different pattern of evolution of the commissions' activities, their internal organizational structures often vary. Moreover, since in many cases these developed spontaneously, in response to new responsibilities or functions in this or that area of activity, they are sometimes not as rational and effective as they should be. In their earlier reports on some of the commissions the Inspectors noted, for example, instances of poor co-ordination between individual offices of the same commission.

242. The Inspectors consider that the increased responsibilities that should devolve on the commissions as a result of recent legislative decisions and of the decentralization measures they recommend require a re-examination of the commissions' internal organizational structures, with particular emphasis being placed on the strengthening of their programming and operations management units and on the tightening of co-ordination between all offices generally.

243. These increased responsibilities also raise the issue of the status of the commissions' executive heads. Prior to the re-organization of the higher echelons of the Secretariat, the executive secretaries, as Under-Secretaries, were at the second level of senior officials; they are now at the third level.

^{70/} In 1973 their staffing picture was as follows: ECA - 4; ECAFE - 4 (of which one trainee); ECLA - 2 and UNESOB/ECWA - 1.

244. The Inspectors are aware of the various considerations that motivated this change. They believe, however, that in the light of the commissions' enhanced responsibilities as mentioned above, and of the specific functions and responsibilities of the executive secretaries in this connection, the question of the up-grading of the post of executive secretary needs to be re-examined without delay.

(2) Management procedures

245. In order to relate any identified management shortcomings and the improvements suggested by the Inspectors thereto, it is necessary to describe briefly the main features of some of these often complex management procedures.

246. In the past, the degree of decentralization was frequently measured according to the volume of projects, expressed in monetary terms, that were "backstopped" respectively by Headquarters or by the commissions.

247. The Inspectors consider that this is misleading and that the degree of decentralization cannot be gauged merely by the monetary value of projects "backstopped" here or there. Indeed "backstopping" is in itself an amorphous expression that may encompass anything from peripheral substantive and/or administrative support to a substantial delegation of authority, responsibilities and resources. The fact that a particular job connected with a particular project or even several functions related thereto may have been farmed out by Headquarters to a commission can therefore hardly be described as "decentralization", as this appears to be understood by the General Assembly and ECOSOC. A far more telling yardstick of the degree of decentralization of a given project is, in the Inspectors' opinion, the number and relative importance of the management operations handled by a commission in connexion with the project.

248. For the purpose of this study, the Inspectors have grouped these operations according to three main stages: (i) Project preparation (which includes project planning, programming, formulation, costing and approval; and the delegation of authority to a commission, if any); (ii) project implementation (i.e., substantive backstopping; and financial and administrative management), and (iii) evaluation.

(a) Project preparation

249. About fifteen months before the start of a programme biennium OTC invites the commissions to submit their programmes and indicates the likely target amounts available, together with suggestions from the various substantive offices at Headquarters for possible inclusion in these programmes.

250. In principle, all regional projects under the regular budget must now originate in the field. If OTC receives from a substantive office at Headquarters regional proposal, the latter is automatically referred to the competent commission which, if it endorses it, plans and programmes it as it would one of its own.

251. True, the commissions' authority to do so is not unrestricted. Throughout the process of preparing a project they must consult with Headquarters: their proposed programme must fit into the tentative monetary target set by the latter; it must conform to the basic legislative requirements governing projects funded from various sources and its description should include certain standardized information. If another office or agency's interests are logically involved, OTC may suggest a joint project even if the regional TACU thinks it can handle it on its own.

252. The regional programme is transmitted to Headquarters via the Regional Economic Commissions' Section of ESA and examined by the Office of Financial Services. At one point (this was not done in 1972 and 1973) the programmes were examined by so-called Budget Review Groups made up of the Chief of the Economic, Social and Human Rights Section of the then Budget Division, Office of the Controller; the then Special Adviser for Departmental Programme Planning in ESA and the directors of the various substantive offices, as required.

253. The problems of presentation posed by the United Nations work programmes that come before decision-making bodies are too well known to need mention here again. But those faced by the Headquarters offices that are required to "vet" them for potential inclusion in the Budget Estimates are hardly less awesome. Under financial rule 103.2, the Office of Financial Services should in theory be able to insist on certain criteria that would allow for some degree of standardized presentation. In fact, this has never been possible. A few years ago this office drew up a list of required information; the latter remains by and large ignored. Neither, in the entire history of the United Nations, does there seem to have been a meeting of the budget officers of all offices (not to mention a training programme for them) or a system of rotation between Headquarters and the field; indeed many field budget officers have often never set foot in New York. It seems therefore virtually impossible to achieve a methodological consensus. Lastly, some estimates come in late and sometimes piecemeal; there is no time to send them back for redrafting and any consolidation required has to be done at Headquarters.

254. True, field offices have their problems too. For example, due to frequent changes in information requirements, especially in the case of activities funded from extra-budgetary sources, some of these requirements may be superseded while a programme is already under way. This may lead to additional exchanges and further delays.

255. Any changes that may be required to be made during the discussion of a programme or project at Headquarters (barring minor ones) are, in theory, supposed to be communicated to and endorsed by the commission concerned.

256. Regional or sub-regional projects (or "inter-country", in UNDP terminology)^{71/} requiring UNDP funding are handled by and large like UNDP-funded country projects. Once OTC has checked the substantive and financial aspects with the competent services, the project goes to UNDP but, under the latest procedures, without any OTC-recommended priority. The competent UNDP Regional Bureau consults the Governments of the region, UNDP's own resident representatives there and all other agencies and organizations concerned and then, if a consensus is achieved, seeks to fit it into the inter-country IPF. For their part, the commissions are kept informed about all inter-country projects submitted for UNDP approval and funding by other offices and they may suggest priorities for them.

257. UNDP procedures for the approval of such inter-country projects apparently pose problems. In the first place, it is not easy for a group of Governments to formulate such projects (as UNDP requires); these turn out to be in many cases merely a collation of individual country needs related, moreover, to current problems; they often lack therefore the long-range, "pre-crisis" view. Moreover, now that OTC has no longer any say regarding priorities, the views of a commission become merely one opinion among many that UNDP consults and not necessarily the one that carries most weight. Difficult enough within the United Nations, a consensus on this broader level is even harder to achieve. Also, apart from the availability of funds for such projects (which varies from one region to the other) the individual regional bureaux have apparently different approaches to such projects - some more thorough, others less so. Then there appears to be no timetable for the whole duration of the project,

^{71/} In UNDP terminology any project involving more than two countries is described as "inter-country". The United Nations expressions "regional" or "sub-regional projects" have, of course, a somewhat wider implication. Nevertheless, for the sake of convenience, these various expressions are used in many official documents interchangeably.

funds being provided for one year periods over the 4-5 years of the IPF cycle. The problems connected with UNDP-funded seminars are in the nature of a vicious circle. Indeed, here again the initiative (even if transmitted via a commission) should be taken by Governments, but these are loathe to do so unless UNDP approval is virtually certain, which in turn is difficult to guarantee until the project has been formulated and examined by UNDP. Much time may go by on preliminary "feelers" and by the time UNDP approves the project, the Governments concerned may have changed their minds, the commission being then blamed for this. Lastly, some commissions complain that despite assurances to the contrary, major changes may occasionally be made in a project at Headquarters without prior consultation with them.

258. In theory, before the beginning of a programme year OTC and the executive secretaries jointly decide which regional projects or components thereof should be "decentralized" and which should be managed by Headquarters.

259. In fact, there seems to exist no central decision-making authority in this regard. Instead, on various occasions throughout the year (e.g., at the joint meetings of the executive secretaries; on the occasion of such meetings as the Committee on Development Planning or the ACC's Sub-Committee on Review and Appraisal, etc., each side (the Under-Secretary and executive secretaries at the top level; the directors in ESA and their opposite numbers in the field at the lower) states its desiderata and what is described as a "mutual accommodation" is arrived at, for which, as Headquarters officials admit, the views of the commissions again do not necessarily carry most weight.

260. Likewise in theory, all duly approved regional projects funded under the regular budget are supposed to be decentralized as a matter of course "unless there is good reason not to", at least to the extent that the commissions concerned are able and/or willing to take them on.

261. The trouble about this proviso is that it is not clear who decides and according to what criteria whether such a "good reason" exists or not.

262. Following approved decentralization of a regional project, OTC delegates authority to the commission concerned by means of so-called "Minutes" or "Notes of Delegation", which specify which components or parts thereof have been decentralized to it, and what are the corresponding sub-allotments made to them and which are retained by

Headquarters. Indeed, decentralization of a project is supposed to result in the transfer of funds for services rendered to the executing office which is usually the one that provides the most backstopping.

263. In fact, as the Inspectors will presently show, the degree of responsibility - and the amount of resources - delegated to a commission even for projects said to be "decentralized" to it vary considerably from one type of project or source of funding to the other and from one region to the next, UNDP, for one, has traditionally kept even tighter control than the United Nations over projects that are reputedly "decentralized" to the commissions.

(b) Project Implementation

264. Once a project has been "decentralized", its implementation involves two distinct types of operation: (i) substantive backstopping and (ii) financial and administrative management.

(i) Substantive Backstopping

265. This may include the writing of technical studies; the reviewing and approval of work programmes; the preparation of budget descriptions; the briefing and de-briefing of experts; the backstopping of the substantive requests of project managers; commenting on and evaluating their interim reports and helping them prepare their final reports; reviewing with them adjustments and amendments to plans of operations prior to their transmittal to Headquarters; preparing the agendas of meetings and seminars and actually conducting seminars and in-service training.

266. Substantive backstopping of a "decentralized" regional project is said to be the only aspect of project administration which is now the virtually unchallenged responsibility of the commissions, these being merely required to file quarterly reports on its status of implementation. Actually, the degree of residual substantive control by Headquarters over a "decentralized" project seems to depend much on the attitude of individual offices. Some insist on continuing close supervision; others will have nothing more to do with such a project, leaving their regional opposite numbers by and large to their own devices.

(ii) Financial and Administrative Management

267. Until 1969 only some 80 per cent of the regular budget funds sub-allotted to a commission for a given project (or part thereof) were made available to them. At

present, the total amount is sub-allotted to them. In some cases the money is sub-allotted not to the commission as such, but to the Administrative Officer or Project Manager via OTC.

268. Provided the budget is not exceeded, the commission may transfer funds between object of expenditure within a project or project component but not between one type of project and another. Neither can it revise upwards any component even if the total project budget remains unaffected. Lastly, it cannot make even minor changes in the course of implementation, nor make use of any savings (in man/months or funds) that may be achieved.

a. Recruitment

269. Currently, the recruitment of the R.A.'s is theoretically decentralized. Only for appointment or re-appointment exceeding twelve months and/or at levels above level 5, and for recruitment outside their respective regions does authority still rest with Headquarters, i.e., with the Office of Personnel's Technical Assistance Recruitment Service, better known as TARS. Even then, the commissions must approve the candidates, draft and forward to them their "Letters of appointment" and "Letters of instructions" and organize their medical and other clearances. The R.A.'s salaries are paid to them by the commissions. Originally, every trip they made had to be approved by Headquarters; now this, too, is the commissions' responsibility. Travel funds for all R.A.'s in a region are now pooled, but no transfers can be made by the commissions from other components to supplement this joint travel fund. The commissions are also responsible for the day-to-day administration of the R.A.'s, but any exceptions to the staff rules (200 series) which govern their employment and any changes in their terms of employment must be cleared with Headquarters.

270. Though they neither recruit nor administer them (since they are assimilated with "country projects", most of which are not decentralized), the commissions are supposed to be consulted regarding the choice of country experts and may themselves propose candidates.

271. Fuller decentralization of the recruitment of experts and in the first place of the R.A.'s has been one of the theme-songs of greater decentralization generally and was also recommended by the Inspectors in their earlier reports on the commissions. As they proceeded with their present study, however, the Inspectors learnt that the commissions have not made much use even of the authority now available to them and that

in most cases they still resort to the services of TARS also for recruitment within their own respective regions.^{72/} This to some extent is understandable since over the years TARS has developed a fairly sophisticated recruitment system especially tailored to the needs of technical co-operation. But even TARS has its problems.

272. Recruitment procedures consist, briefly, of the following actions: once a project has been formulated and a job description drafted and approved (the latter involving the substantive offices or the commissions - in the case of R.A.'s - OTC and TARS), the roster of experts is consulted and if no suitable candidates can be identified there, the job description is circulated among the various sources of experts or is advertised (or both). The technical evaluation of the candidates (mostly on the basis of their curricula vitae; that is, unless they have worked for the United Nations before) is the job of the substantive offices (or commissions in the case of R.A.'s recruited within their respective regions) jointly with OTC. The approved names are then cleared with the Governments concerned, after which TARS (or the commissions) proceed to negotiate the contracts.

273. Delays in recruitment are, of course, merely one of the many types of delays that are still the base of United Nations technical co-operation activities. At present, the recruitment of an expert (including R.As) - from the time an approved job description is received by TARS to his reporting at his duty station - may take up to 7 to 8 months or more depending on the type of activity and scarcity of a given expertise.

274. Some delays seem difficult to overcome. Others, however, seem attributable to such factors as insufficient consultations and poor co-ordination at the preparatory stages of a project; poor project and job descriptions; inadequate or non-existent evaluation of the past performance of experts being considered for a new assignment; slowness of communications between Headquarters and the field and between individual services at Headquarters; reluctance of some substantive offices to accept existing standards and guidelines, with consequent waste of time on "horse-trading", etc. According to TARS, some procedures have already been streamlined and further efforts to this end are being studied. But it feels that it should be brought into a project at an earlier stage than is done at present. There is, however, also the perennial problem of work-load versus manpower within TARS.

^{72/} The Inspectors note that out of a total of 1,318 experts (of all types, including R.A.'s) recruited by a given date in 1973, only 13 were recommended by the commissions!

275. When recruitment takes place in the field under the authority now vested in the commissions, some problems have been identified. For example, while some offices or institutes (especially those which work in the rarer areas of knowledge) maintain satisfactory standards, others are said to be sometimes less demanding as regards qualifications and unduly generous as regards terms of employment.

276. The present policy of appointing initially for a maximum of only one year (renewable for another) has its drawbacks: it is often not enough to acquire proper "regional orientation"; it may disrupt project continuity, lead to gaps and sometimes even to a breakdown of the project; moreover, it may discourage some candidates who feel the need for immediate security of tenure. Others, on the other hand, may prefer short-term assignments so as to retain their links with their universities or research institutions. Also, it allows for an assessment of performance.

277. The Inspectors are strongly in favour of uniform criteria and standards of recruitment throughout the United Nations. Hence the procedures, the laying down of standards, criteria, guidelines etc., and the recruitment of experts should continue to be the primary responsibility of TARS and should be exercised in close consultation with the offices that are the beneficiaries of such recruitment. So far as the commissions are concerned, consultations at appropriate stages of recruitment should be improved and refined and efforts should be made to eliminate delays of which the commissions complain. Subject to these observations, the Inspectors consider that the existing arrangements involving decentralization of recruitment of R.A.'s and other experts for one year to regional commissions are appropriate, with automatic and speedy renewal of one-year contracts for another year whenever a commission so recommends.

b. Training projects (seminars and fellowships)

278. Regional seminars under the regular budget appear to be genuinely decentralized to the commissions. Once they have received the relevant sub-allotments from OTC, they send out the invitations, choose the participants, administer the project from beginning to end and charge the cost against the sub-allotment. But as already mentioned, there seems to be still fairly tight continuing Headquarters control over UNDP-funded seminars, with back and forth correspondence on administrative trivia and consequent delays.

279. The Inspectors believe that all regional seminars, irrespective of their source of funding, should be completely decentralized, with Headquarters retaining only the required minimum of overall supervision.

280. For their part, the commissions, as already mentioned, should see to it that such meetings are planned with appropriate care and that they correspond to priority areas in their work-programmes.

281. Once a fellowship project is decentralized, OTC authorizes the commissions to make awards up to the number of posts and within the funds approved in the cost-plan for the programme period. The commissions then obtain from the recipient Government the formal nominations, review them, select the candidates and make the awards (with Headquarters' assistance, if necessary, for obtaining host facilities). Only once the award is made does Headquarters delegate financial authority (though in some cases this may be done once the cost-plan has been approved and financial responsibility delegated to the commission). The degree of decentralization of fellowship projects varies from one region to the next: in the Latin American region all such projects are reportedly fully decentralized, Headquarters being merely kept informed. In the Asian region the one project that has likewise been decentralized (Chubu Centre, funded first by UNDP and now by funds-in-trust) is reportedly successful, thus proving ECAFE's ability to follow ECLA's example.

282. The Inspectors consider that these arrangements are by and large satisfactory. They hope that where this has not yet been done, the precedent set by ECLA will be extended to the other regions.

c. Equipment and supplies procurement

283. Equipment, supplies and books are still entirely the responsibility of Headquarters, to which the commissions must submit their requests and specifications for all acquisitions over and above what amounts to a token sum.

284. The office in charge of these operations in the Office of General Services' Purchase and Transportation Division which, unlike the Office of Personnel Services in the case of TARS, has no special unit to handle these requests, the work being absorbed within the Division's overall workload.

285. Regional contracting, again above a certain amount, is subject to the approval of the Committee on Contracts at Headquarters.

286. Equipment and supplies in the United Nations normally fall under two categories:

- (a) office equipment and supplies for day-to-day work; and
- (b) equipment and supplies as components of a technical co-operation project.

287. Present procurement arrangements were described to the Inspectors both at Headquarters and in the field as out-dated, unrealistic and impractical.

288. Indeed, they were told, it was in the area of procurement that persistent centralized management of all operations at Headquarters revealed some of the most obvious - and most easily corrected - weaknesses of the system: endless and costly communications about "trivia"; delays; misunderstandings; the overloading of Headquarters staff with work that could be handled faster and more effectively in the field, thus diverting it from other work that had to be handled at Headquarters and therefore delaying the latter; frequent overcosting (compared to prices charged at or closer to regional headquarters locations) and dissatisfaction with one another's performance on all sides.

289. The Inspectors believe that once standards and criteria have been set by Headquarters - in consultation with the commissions, their observance, being checked from time to time by auditing missions, most procurement operations concerning office equipment and supplies should be decentralized to the field, where adequate sources of supply, at competitive prices, exist in most cases. In other words, as in the case of recruitment, the commissions should be accountable, but fully responsible.

290. As regards project equipment, the problem of distribution of authority between Headquarters and the commissions exists even now in regard to projects de facto decentralized to them. Since virtually all procurement is at present centralized at Headquarters, this problem would be aggravated were the commissions to become executing agencies in their own right. It will be necessary, therefore, for Headquarters and the commissions to work out, within prescribed limits, standards and criteria, appropriate arrangements that would provide for a substantial delegation of authority to the regions where, in many cases, such procurement can be effected at less cost in time and money.

291. Needless to say, such decentralization of procurement should be accompanied by appropriate training of the regional staff involved. To date, only one trainee each from ECA and ECLA has ever undergone training at Headquarters - in the late sixties-early seventies.

292. According to the 1970 UNDP "Consensus", "in the ... procurement of equipment and supplies ... the principle of equitable geographical distribution consistent with maximum effectiveness shall be observed". This sound proviso should, needless to say,

not be interpreted as yet another encouragement to "regional parochialism" or "regional closed blocks". But in many cases it stands to reason that it may well be more economical to procure equipment and supplies closer to their place of future use than is being done now.

* * *

293. As the Inspectors have indicated, to date the decentralization to a commission of a given activity, the extent of such decentralization and especially the sub-allotment of the resources to backstop it have been by and large contingent on the willingness of the Headquarters offices concerned to relinquish a share of the authority, responsibilities and resources involved. The commissions themselves have had relatively little to say in this matter.

294. The Inspectors believe that the time has come for the Council and the General Assembly to prescribe more specific and binding criteria and concrete measures that would leave little room for an arbitrary retention by Headquarters of authority, responsibilities and resources which, on account of the nature of certain activities, belong logically to the commissions.

295. The Inspectors consider that the decentralization of any activity to a commission should necessarily involve the delegation to that commission of the requisite authority, responsibilities and resources, in terms of funds and professional (substantive and support services) staff, as appropriate. In the case of most of the activities which, in the Inspectors' opinion, should be decentralized, the funds should normally come from that share of overheads which corresponds to the functions that will have been decentralized. A far greater effort should also be made to fill existing vacancies in the commissions through the redeployment of professional staff from Headquarters to the field, through temporary secondments, rotation and, in cases of extreme urgency and requiring scarce technical expertise, through possibly more flexible recruitment criteria. The Inspectors will be going in greater detail into these suggestions in the last substantive chapter of this report.

(c) Evaluation

296. Although in theory present evaluation exercises, particularly in the case of UNDP-funded projects, seem sophisticated enough, evaluation is still one of the "weak links" in United Nations technical co-operation activities. Thus, the Inspectors were told that some 60 per cent of roughly 10,000 experts' reports on file by 1972 since

the beginning of these activities had never been processed or analysed and the experience accumulated therein was thus "frozen" and never put to use. In principle, these reports are supposed to be computerized one day. Meanwhile, however, operations are pursued and new ones started with little regard to what may already have been done and what the results may have been.

297. Needless to say, the commissions' contributions in this regard, especially in the case of UNDP-funded projects with which they are not directly involved, are often even more marginal than those of the various executing agencies themselves.

298. In their reports on ECAFE (E/4781) and ECLA (E/4935) the Inspectors had urged that even country experts should be more frequently de-briefed at regional headquarters and that the latter should receive all progress and final technical reports on all regional (inter-country) projects in their respective regions (irrespective of which organization is Executing or Participating Agency), as well as copies of the results of all studies carried out for UNDP by various sub-contractors and other outside consultants.

299. The Secretary-General and the ACABQ observed in reply that i.a. (i) executing agencies were required by UNDP to provide the commissions with all final reports on the then UNDP/SF projects; (ii) that there was no need to provide them with progress reports on projects which they were not administering; (iii) that any involvement of them in the evaluation of projects for which the United Nations was Executing Agency was for the latter alone to decide; (iv) that their potential involvement in projects managed by other organizations and agencies would need to be negotiated with the latter; (v) that ECLA, for one, had been involved in certain general evaluation exercises in the Latin American region and would have been even more so had it had the staff; (vi) that a programme of systematic evaluation of continuing and completed SF projects had been started by UNDP and the United Nations on an experimental basis and that it was proposed to bring the commissions into the picture (E/4936/Add. 1 and 2).

300. Despite all this, the situation appears to the Inspectors to be still far from satisfactory - generally and with particular reference to the commissions. As regards the latter (and with the few exceptions mentioned by the Secretary-General in the case of ECLA), it is satisfactory solely in the case of their own R.A.'s and the experts involved in the very few country projects that have been decentralized to them.

301. In theory, the debriefing of IRA's, however short (no more than one hour for each assignment, covering an average of three countries), could be useful if all the officials who should attend these sessions did so. In fact, attendance seems patchy, perhaps

because there are some 100 such sessions per annum. Moreover, as already mentioned, the IRA's are debriefed only at Headquarters, never in the field and the same goes for senior project personnel (i.e. project managers and team leaders), not to mention individual country project experts, who often are not debriefed at all.

302. Final reports may be delayed up to six months to one year; by the time those called upon to comment on them (which may include the commissions) do so, these comments may be out of date. The commissions' comments on projects which they themselves do not manage are, reportedly, often perfunctory, when they are made at all. This is due, apparently, to lack of time or lack of staff - or both; but also to the fact that the commissions feel that since their comments may be lost in a maze of others and that final evaluation is the responsibility of the Executing Agency, their views will carry little weight anyway.

303. The Inspectors have already stressed the desirability of regional briefing and debriefing of IRA's (especially of newly-appointed ones).

304. In 1970, the Secretary-General reported to ECOSOC at its forty-ninth session that he planned to undertake with the commissions sectoral evaluations in a number of developing countries in such fields as Development Planning, Public Administration and Statistics. The Inspectors have no information as to whether this idea was ever followed up. They presume that it could now be made a part of the commissions' above-mentioned new "main responsibility", for the regional review and appraisal of progress during the Second Development Decade. This "main responsibility" makes it incumbent on them to become more active in such evaluation exercises, provided they have the means to do so. At the same time, as in the case of recruitment, the poor use made by the commissions of the opportunities already now available to them is hardly likely to encourage the various executing agencies to involve them in the evaluation of projects with which they are not directly concerned or even to abide by present arrangements.

305. The commissions should see to it, therefore, that their comments on final reports in which they have a particular interest reach the executing agency concerned as soon as possible. In the case of the United Nations, OTC should set a deadline for the submission of such reports and comments and allow the commissions the opportunity to give their views before sending out its own comments and instructions to the project managers. In the case of projects decentralized to the commissions (irrespective of their source of funding), the latter should be able to address their comments directly to the project manager, with copy to the executing agency.

VIII. THE REGIONAL ECONOMIC COMMISSIONS AND UNDP

306. Despite years of discussions, the establishment of a rational and mutually beneficial relationship between the commissions and UNDP is one of the still not wholly resolved organizational issues before the United Nations. True, of late some commendable steps have been taken to this end. The question, by and large, is how their respective roles, which in essential aspects coincide, can best be harmonized to ensure the most effective use of scarce development assistance funds.

307. At present, the bulk of UNDP-funded activities is made up of country projects and this trend has been, of course, accentuated since the 1970 "Consensus". Nevertheless, regional (or in UNDP terminology "inter-country"^{73/}) projects still account for a sizeable volume of UNDP-funded assistance and many of these have been assigned to the United Nations as executing or participating agency. Moreover, it is now recognized that there exists an essential nexus between country programming and the "country approach" generally and the regional context. Indeed, the establishment at UNDP headquarters of four so-called "Regional Bureaux" is some evidence of such recognition. Furthermore, the fact that the commissions, under General Assembly resolution 2626 (XXV), have been charged in their respective regions with "main responsibility" for the review and appraisal of the progress achieved during the Second Development Decade, and the establishment of the UNDAT's (which are, in effect, as was shown, grouped country missions) must necessarily lead to a much greater involvement of the commissions in country plans and programmes.

308. In the light of the above, the relationship between UNDP and the commissions and the latter's role with regard to UNDP-funded inter-regional, regional and sub-regional programmes, as well as in country programmes, must needs be clearly defined.

(1) Institutional arrangements

309. Organizationally, two lines of communication seem to the Inspectors to require strengthening: (i) that between UNDP headquarters (and its regional bureaux) and the commissions' secretariats; and (ii) that between the UNDP resident representatives and the latter.

^{73/} As already mentioned, in UNDP terminology any project involving more than two countries is described as "inter-country". The United Nations expression "regional project" has, of course, a wider connotation. However, for the sake of convenience these two expressions are now often used in United Nations' documents interchangeably.

310. In the past, there were virtually no direct communications between UNDP and the commissions. UNDP-funded projects, whether inter-country or country, were entrusted to the United Nations (or UNCTAD or UNIDO) as executing or participating agency. It was then up to these to involve the commissions in these projects to the extent judged desirable, any subsequent consequential communications between the regional office concerned and UNDP being channelled via Headquarters.

311. At UNDP headquarters contact was limited to the fact that the executive secretaries were ex officio members of UNDP's Advisory Panel on Programming Policy. In addition, the heads of the regional bureaux on occasion attended the meetings of the executive secretaries.

312. In the field, the UNDP resident representatives stationed at the seat of a regional commission headquarters attend policy and other meetings of the commission, just as the latter is represented at the annual regional meetings of the resident representatives.

313. In the Inspectors' opinion, this is not enough. They believe that more explicit and comprehensive arrangements are required to strengthen these aspects of the relationship between the commissions and UNDP - both at Headquarters and in the field.

314. At UNDP headquarters, now that the Advisory Panel on Programme Policy has been reconstituted and no longer includes the executive secretaries, some other arrangements for securing their advice on matters of overall policy and programming should be worked out, in addition to the informal contacts that may take place on the occasion of the executive secretaries' twice-yearly meetings. The establishment of closer relations, involving mutual consultations and periodic meetings between the chiefs of the UNDP regional bureaux and the executive secretaries, would therefore appear to be logical and necessary. The Inspectors note with satisfaction that this is increasingly realized and that, for example, the bureaux heads now attend and participate actively in all meetings of the executive secretaries.

315. In the field, a first step should consist in intensifying the dialogue between the UNDP resident representatives and the commissions. Indeed, while some resident representatives seem to have established good relations with the commission of their region, it is by no means general practice. As the Inspectors suggested in their 1969 report on ECAFE (E/4781), this dialogue could be facilitated by establishing direct and permanent UNDP liaison arrangements at each regional headquarters.

The creation of UNDP's regional bureaux gives added weight to this proposal, since it would establish a much needed nexus between these various offices. Whatever his title or function within the UNDP machinery, the person responsible for liaison should be a senior official with diplomatic and negotiating skill, capable of speaking with authority and carrying weight both with UNDP headquarters and with the resident representatives. In this connexion, the Inspectors note with satisfaction the posting of a high-ranking resident representative to Addis Ababa as UNDP regional representative, whose main function is to assure liaison with ECA and who is to co-operate with the Executive Secretary in developing further measures of collaboration. This has already led to improved co-operation between ECA and UNDP and has resulted in a detailed agreement defining their relationship.^{74/}

316. The Inspectors consider that the above agreement, in conjunction with the posting of a UNDP regional representative for liaison with ECA, might be usefully considered for extension to other regions, as appropriate.

317. As has been agreed between UNDP and ECA, the other commissions should be able to have recourse to the good offices and services of the UNDP representatives in those countries where no sub-regional offices of the commissions in question are located.

(2) Operational activities

318. But however much they may be improved, closer relationships between UNDP headquarters and the resident representatives, on the one hand, and the commissions, on the other, will not in themselves be of much avail unless the latter are given an opportunity to participate more actively than they do at present in UNDP-funded operations. Unfortunately, as the Inspectors have already shown, here again the situation is far from satisfactory. In the first place, for the last two years UNDP is increasingly acting as its own executing agency. Indeed, at the end of 1973, UNDP was executing agency for 100 projects, of which four were global, three inter-regional, 17 inter-country and the rest, country. According to UNDP, these consisted of 13 larger projects, the rest being smaller ones of the former TA type.

^{74/} RBA/Working Paper/73/04, dated 29 May 1973.

319. This is a development which the Inspectors believe should be kept strictly within bounds. While in exceptional cases it may be useful and even necessary for UNDP to become executing agency for certain types of global projects, this increasing incursion of UNDP into the practical execution of projects will inevitably change the character of the programme and, furthermore, could lead to the under or non-utilization of the executing machinery of the United Nations system, including the regional machinery of the commissions, and to direct competition between UNDP and its own executing agencies.

320. The Inspectors have already observed that the non-availability of UNDP funds obliges the commissions to seek financing from other sources. While in the present circumstances the availability to the commissions of substantial bilateral assistance is, needless to say, appreciated, excessive dependence on voluntary aid funds is a matter of concern even to them. So that such dependence may be reduced, the Inspectors recommend that out of the usual 18 per cent of UNDP resources set aside for regional development an appropriate share should be earmarked and made available to the commissions, directly or through OTC, for specific activities to be undertaken by them.

(a) UNDP-funded inter-country projects

321. At the end of June 1973, the United Nations was executing agency for 56 UNDP-funded inter-country, i.e. regional projects (of the former SF or TA types), which ranged from the financing of meetings and seminars to large, pre-investment type, multi-disciplinary projects: 14 in Africa, 15 in Asia and the Far East, 13 in Latin America and 14 in Europe, the Mediterranean and the Middle East. Of these, only 13 were said to be decentralized to the commissions: ECA region - 1; ECAFE - 8; ECLA - 3 and UNESOB/ECWA - 1.^{75/} They consisted in seven cases of advanced training institutes, in five cases of river development projects and in one case of a highway project.^{76/}

^{75/} Since two other projects, formerly of the country type, are now regional, while continuing to be "decentralized" to UNESOB/ECWA, the total is now 15.

^{76/} The "decentralized" projects were:

ECA: African Institute for Development and Planning (AIDP), Dakar, Senegal;

ECAFE: Asian Institute for Economic Development and Planning, (AIEDP), Phases I and II, Bangkok (Thailand);

Hydrographic Survey of Lower Mekong;

Survey of 4 Mekong Tributaries;

Institutional Support for the Mekong Committee for Co-ordination of Investigation of the Lower Mekong Basin. Phases I and II;

Survey of Minerals and Mineral Processing in the Lower Mekong Basin;

Institutional Support for the Asian Highway;

ECLA: 3 projects relating to the Latin American Institute for Economic and Social Development Planning (ILPES), Santiago (Chile).

UNESOB/ECWA: Institute of Economic and Social Planning in the Middle East (a former country project), Kuwait.

322. The degree of actual decentralization, even in the case of theoretically decentralized extra-budgetary funded projects varies. Thus, the advanced training institutes, under their statutes or enabling resolutions, are in most cases autonomous institutions; nevertheless, many of them have more or less close organizational and/or personal ties with the commissions concerned, whose executive secretaries are usually ex officio chairmen of their governing councils. The commissions give most of these institutes, particularly those for economic planning and development, a varying measure of substantive and administrative support. In terms of such backstopping (at least as far as administrative responsibilities go), the most decentralized projects appear to be ILPES^{77/}, the Middle Eastern Institute and AIDP, but even in their case (not to mention the others), financial control, recruitment, contracts and fellowships are still handled by Headquarters or jointly by Headquarters and the commissions, with many duplicate operations as a result. Only ILPES manages its own fellowships. In the case of many other "decentralized" projects, the commissions' role seems to be still confined to occasional partial substantive support and to such minor responsibilities as the certification of services and facilities provided from the Government counterpart and, in some cases, of part or all of the "miscellaneous items" provided from the UNDP contributions.

323. One project, i.e. the Lower Mekong Basin Development, is fairly unique inasmuch as it involves (apart from governmental supervision, which is exercised by the Mekong Committee) a three-fold distribution of responsibilities between United Nations Headquarters, ECAFE's secretariat and the Mekong Committee secretariat, whose budget exceeds that of ECAFE.

324. The Inspectors have studied the respective backstopping functions of the three offices concerned and they note that most of the substantive backstopping is done by the Mekong Committee secretariat itself and most of the administrative backstopping by the latter, jointly with ECAFE, Headquarters' duties being in effect marginal and certainly out of proportion to the authority - and overheads - it retains. The

^{77/} The status of ILPES is unique inasmuch as it represents, under recent arrangements, the first instance of a UNDP-funded project sub-contracted to a commission, in this case, ECLA.

commission itself is eager to assume greater responsibility on the strength of its past involvement in the project (ECAFE initiated and ran it before it was institutionalized) and of the Executive Secretary's present continuing responsibilities in connexion with it.

325. This is admittedly a complex project. Nevertheless, the Inspectors consider that the de facto position of ECAFE's involvement should be recognized and a larger share of resources made available to it.^{78/}

326. Generally, the Inspectors are of the opinion that all regional (or inter-country) and sub-regional projects funded by UNDP, for which the United Nations (as distinct from UNCTAD and UNIDO) is at present or may in future become executing or participating agency (and this includes the above-mentioned advanced training institutes and so-called "special projects") should be, as a matter of principle, fully decentralized to the commissions, the latter being designated directly executing or participating agency.

327. This recommendation is subject to the following three qualifications: (a) the wishes of the commissions should be taken into account. Needless to say, no activity should be decentralized to a commission unless the latter is willing to undertake it; (b) to allow for a period of adjustment, initially the full decentralization of regional (or inter-country) and sub-regional projects should be confined to those that are of a multi-disciplinary nature. At the end of four years, however, i.e. by 1979, all such projects, whatever their nature, should be fully decentralized to the commissions; and (c) such decentralization should be, of course, without prejudice to the Secretary-General's statutory responsibilities and in this case, consequently, to his receiving periodic reports from the commissions, commenting on them and exercising, generally, the functions of normal financial and administrative supervision and control that apply to all activities of the United Nations.

328. Earlier in this report the Inspectors went at length into the problems of evaluation. It goes without saying that the commissions should participate actively in the evaluation of all UNDP-funded projects decentralized to them.

^{78/} The issue of UNDP overheads is so crucial to the whole question of decentralization that the Inspectors address themselves to it in detail in the last section of this chapter.

(b) UNDP-funded country projects

329. Increased involvement of the commissions in United Nations managed country projects has long been a prominent feature in the drive towards greater decentralization.

330. Although as far back as 1961 the Secretary-General had promised that steps "along similar lines" to those taken to enhance the commissions' role in the planning and implementation of regional projects, would be taken regarding country projects (A/4794), progress in this respect is still exceedingly slow. Thus by 1972 only four country projects, of all those for which the United Nations was executing agency, were said to be decentralized to the commissions: ECAFE - 1; ECE - 1 and UNESOB/ECWA - 2 (1 former country project in this region being now a regional project).^{79/ 80/}

331. The Inspectors have already indicated how relative such "decentralization" often is even in the best cases. As regards the country projects that had not been "decentralized" to them, the commissions' role was long confined at the programming stage, to: (i) participating in a few cases together with Headquarters' officials and with the resident representatives in selected country programming exercises; and (ii) receiving job descriptions, project description sheets and lists of appointments and commenting on them to OTC, the resident representatives and the Governments concerned. Occasionally they were able to propose a candidate for an expert post, the qualifications of such candidates being reviewed by the Headquarters' offices concerned. But even this was never systematized. Nor did they ever participate in such exercises as the drafting of the so-called "Country Papers" and "Profiles". In fact, they were often not only completely ignored as regards the mandate or timing of various programming missions, but they were sometimes not even informed about them. Lastly, unless they insisted, the briefing of those missions about which they were informed was confined to a routine exercise at Headquarters or at the regional headquarters of an agency, but was not finalized in the commission. At the

^{79/} ECE: National Computer Research Centre: Bratislava (Czechoslovakia);
ECAFE: Survey of Minerals and Mineral Industrial Processing in N.E. Thailand;
UNESOB/ Planning Institute for Economic and Social Development, Syria,
ECWA: (Damascus);
Assistance in Development Planning and Institutions, Baghdad, (Iraq).

^{80/} As already mentioned, the Inspectors understand that all former country projects in the UNESOB/ECWA region are now regional projects.

implementation stage - subject to their capacity to do so - they were sometimes invited to provide what is described as "substantive backstopping". But even this seems to have been confined to occasional briefing of individual experts en route and commenting on those programmes and final reports which were forwarded to them. In theory, these comments were incorporated by OTC with those of other Headquarters offices and forwarded to UNDP, the expert and/or Government. But since the commissions' comments often reached UNDP only once a project was finalized and not at the earlier planning and programming stage, they could hardly be very useful. Their comments on final reports were also, as already shown, frequently delayed. For all these reasons the commissions' contributions, when offered at all, were apparently often perfunctory.

332. Such, by and large, was the situation until the adoption in 1970 by the Tenth Session of the Governing Council of UNDP of the "Consensus", with its accent on country programming and the resulting administrative and procedural changes; and the adoption that same year of General Assembly resolution 2626 (XXV), which confirmed that for the review and appraisal at the regional level of the results of the International Development Strategy for the Second Development Decade, the commissions were to assume "the main responsibility".

333. Though the switch to country programming has time and again been invoked to delay or avoid decentralization, both initiatives, as the Inspectors see it, should result and in some cases have resulted, in greater involvement of the commissions in country projects, for the reasons stated in the following paragraphs.

334. With the increased trend towards a global approach even in sectoral fields, regional inputs are all the more crucial. Indeed, regional economic planning, however difficult, is an essential link between country planning and these global objectives. Moreover, many of the least-developed countries (but not only them) cannot "go it alone", but must perforce plan their development in many sectors on at least a sub-regional basis.

335. The commissions are the only field offices in the United Nations' system whose mandates cover, by and large, the whole spectrum of economic and social development and are thus perhaps more qualified than any other regional body to take a comprehensive "multi-disciplinary" view of a country's development plans. Moreover, uniquely among United Nations field offices, they have been instructed by legislative bodies to make special studies of social development problems and of the integration of the economic and social aspects of development.

336. The Consensus itself, in its paragraph 5, has emphasized the need for "individual developing countries [to] be given at their request assistance from the United Nations, including the regional economic commissions and the United Nations Economic and Social Office at Beirut in the general field of planning".

337. In addition, in certain specific fields (e.g. Science and Technology) the commissions have been instructed by their decision-making bodies to become involved in country projects beyond the limits envisaged even by the two above-quoted initiatives.

338. Most important of all, the success of country programming depends to a large extent on the co-ordination and full use of all echelons of the United Nations system. Indeed, the whole concept of country programming rests on the recognition of an integrated approach to development. A greater and more systematic recourse to the commissions is, as the Inspectors see it, but another element of this mobilization of all available resources and of their more rational distribution.

339. For these various reasons the Inspectors fail to understand UNDP's apparent reluctance in the past to put the commissions' experience and potential in many fields to better use. Indeed, as the executive secretaries pointed out in 1972, the respective roles of UNDP in all or most operational activities and of the commissions for providing such additional substantive backstopping as they may be able to give - with or without additional resources - are complementary, not competitive (E/5168).

340. For example, under the new country programming procedures, ESA's functions at the pre-project stage now include: (i) preparing country briefs; (ii) assisting the resident representatives with their comments on country background papers; (iii) if required, assisting them in formulating country programmes; (iv) if not required to do so, then at least commenting on these and (v) assisting the resident representatives, if requested, in project formulation.

341. There exists at present a wide choice of background documentation on which country programmes are based, but all too often the information contained therein is inadequate, or insufficient, or more often not comparable. Though research and studies on and advisory services for individual countries are admittedly not invariably based on regional data, the commissions, because of the information they have accumulated on the countries of their respective regions, the practical experience of some of them in assisting in development planning (ECLA since 1958), the likewise practical experience of many of their R.A.'s at the country level, and lastly the personal

contacts between them and many key national institutions and individual officials, possess even now a capital which can hardly be matched or duplicated by any other office in the field and still less by Headquarters.

342. Ideally, the commissions should be continuously involved in country programming from the very beginning of the programming exercises. However, the Inspectors consider this to be not practicable, if only for lack of manpower and travel funds. And this is recognized by the commissions themselves.

343. The Inspectors note with interest that under the earlier-mentioned agreement between UNDP and ECA, at both the programme and project formulation stages ECA will, at least initially, limit its interest to inter-country programmes and project proposals and will be concerned only with those country projects which have a clear and direct relationship to inter-country activities. But, in addition to this, the Inspectors are of the opinion that active participation of the commissions should be sought by UNDP in the programming of all important multi-disciplinary country projects, as well as in country projects requiring an integrated view of the economic and social aspects of development. However, since regional travel funds are very limited, this would hardly be feasible unless UNDP agreed to pay the travel costs incurred through such commission participation.

344. But also at the project implementation stage, the Inspectors consider that far more UNDP-funded projects should be decentralized to the commissions than has been the case to date, the commissions being designated executing or participating agency in their own right. Such decentralization, however, should be selective and subject (a) to the agreement of the Government concerned; and (b) to the fulfillment of at least two of the following criteria: (i) that besides being multi-disciplinary, a project relates to an area in which the commission concerned has acknowledged expertise and experience; (ii) that it already has experience in executing regional (or inter-country) or sub-regional projects of the same type or in the same field or that the project has a clear and direct relationship to such other activities; and (iii) that the commission has actively helped the country in question to formulate the project request.

345. At the evaluation stage, especially in the case of projects in which the commissions are not themselves involved as executing or participating agency and are therefore able to take a more detached and objective view, their participation could be of great value too, as the executive secretaries pointed out in 1972 (E/5168).

* * *

346. An in-depth discussion and consultation of an internal seminar type involving Headquarters and the commissions should be held some time in 1976 to work out the implementation of the accepted recommendations in the two preceding sections and to set the targets, modalities and stages of further decentralization to the commissions.

(3) The issue of UNDP overheads

347. The Inspectors, in their talks at Headquarters, have been assured that UNDP overheads were not an important, still less decisive factor in explaining the reluctance of certain Headquarters' offices to decentralize a project, since these overheads rarely matched the actual cost of running a project. And yet, bearing in mind that 92.8 per cent of all appropriations for technical co-operation activities in 1973 came from extra-budgetary resources (78.3 per cent from UNDP alone), the Inspectors are reluctant to accept this view.

348. The commissions, for their part, feel that unless the fundamental problem of funding and especially that of UNDP overheads is resolved, with a larger share of these going to them for services rendered, the whole issue of "Centralized" versus "Decentralized" management of technical co-operation activities was bound to remain an abstraction.

349. Tables 4 and 5 and Annexes I through XIII give the relative importance of extra-budgetary funds and posts at Headquarters and in the field. As the Inspectors have shown, the commissions' share of these funds and posts is not only, in most cases, incomparably smaller than that of Headquarters but it is, in fact, again in many cases, diminishing further. Moreover, most of it comes not from UNDP overheads but from funds-in-trust and "other extra-budgetary resources". In other words, the commissions have had to date a very small share of the "UNDP pie".

350. In the past, the United Nations received from UNDP in reimbursement of overhead costs 14 per cent for TA projects and 11 per cent for projects of the SF type. The 14 per cent were added to the income side of the budget under "Miscellaneous Income", while the 11 per cent, together with the 12-14 per cent contributed from other extra-budgetary funds and funds-in-trust, figured separately as "overhead costs". UNDP now pays uniform costs of 13 per cent for all types of projects, which are utilized on a "direct user" basis. UNCTAD, being until 1971 "non-operational", receives a special lump sum contribution of \$ 600,000 per annum.

351. With the disappearance of the demarcation line between UNDP/TA and UNDP/SF projects, the United Nations has, as from 1973, also removed the difference in the treatment and budget presentation of these overheads. As a result, the regular budget posts for projects of a TA type, which used to be financed notionally from the "Miscellaneous Income" received from UNDP, and those funded by other extra-budgetary sources and funds-in-trust have now become "extra-budgetary posts". Of the total overheads received, 75 per cent go to ESA and 25 per cent to the other support services (offices of Personnel and Financial Services, OGS, P. and T., etc.). Most of the 75 per cent earmarked for ESA is destined for OTC, the balance going to the substantive offices. As we have seen, virtually nothing goes to the commissions. In view of the fact that the commissions are de facto executing agencies for 15 UNDP-funded regional projects, the Inspectors cannot help feeling that they have not been getting a fair deal even as regards the few UNDP-funded projects "decentralized" to them.

352. The Inspectors understand that regional staff requirements are estimated on a total basis, i.e. bearing in mind all commission programmes, including any operational, whatever the source of funding. Apart from the fact that this seems to run counter to the basic principles traditionally governing the use of UNDP overheads, there would be nothing wrong with such an approach if it were applied uniformly to all offices - Headquarters and regional. The fact that in the case of the former the budget shows a complement of professional and general services staff specifically paid out of UNDP overheads indicates that as far as Headquarters' requirements are concerned, operational work is assessed separately. The Inspectors fail to see any justification for such a differentiated approach and are not convinced by the explanations given.

353. The main argument still invoked at Headquarters against giving the commissions a fair share of UNDP overheads and thereby allowing for the decentralization of a larger number of UNDP-funded projects to them, is the alleged legal difficulty of appointing them executing and participating agencies, since they are "part and parcel of the United Nations" and, moreover, do not sit on UNDP's Inter-Agency Consultative Board (IACB).

354. Without wishing to go into the finer legal points of the status of these various bodies, the Inspectors cannot help wondering whether this argument is not somewhat specious, if only because the legal status within the United Nations' system of

UNCTAD and UNIDO (though the latter do sit on the IACB) is not very dissimilar from that of the commissions. They too are "part and parcel of the United Nations" and yet this has not prevented them from being executing or participating agencies when the need or occasion arises. Just as the commissions, UNCTAD and UNIDO have a dual status: their decision-making bodies (i.e. their conferences; TDB and IDB) are inter-governmental bodies just like the commissions and the latter's various committees; their secretariats, on the other hand, are as much an integral part of the United Nations' Secretariat as are the regional secretariats; lastly, their budgets (like those of the commissions) are part of the United Nations' budget. As for their sitting on the IACB this, under the new country programming procedures, gives them no special privileges since Governments may now indicate which specific organization they wish to see appointed as executing or participating agency.

355. The Inspectors note that there is an increasingly strong body of opinion that favours the commissions being appointed executing or participating agencies (depending on the nature of their contribution). At the July 1972 meeting of the executive secretaries in Geneva, which was attended by senior officials of both ESA and UNDP, it was stated that: "The meeting expressed appreciation that it would be possible for UNDP to consider regional economic commissions and UNESOB as executing agencies for regional and sub-regional projects subject to concurrence of the Department of Economic and Social Affairs. While the definition of responsibility of the regional commissions would be a matter for the Department of Economic and Social Affairs, it was noted that the Under Secretary-General for Economic and Social Affairs had informed the Administrator of his intention that the commissions should plan an important part in the execution as well as planning of regional and sub-regional projects. It was recognized that the commissions would play this role in effect as sub-contractors to the United Nations or as executing agency themselves in direct relationship with UNDP and on the same basis as its other executive agencies. It was agreed that the projects for such direct execution by regional economic commissions and UNESOB should initially be selected both from among those which were both inter-country and multi-disciplinary" (E/5370, para. 30).

356. This is a welcome development. The criteria suggested, i.e. inter-country and multi-disciplinary projects (which the Inspectors endorse, at least as a first step), make it possible to overcome yet another frequently invoked hurdle, namely the alleged difficulty of getting other sectoral agencies and organizations to agree to the commissions assuming a more significant operational role. The Inspectors have

serious misgivings, however, regarding the proviso that ESA should decide not only what projects should be handled by the commissions, but also the degree of their responsibility for such projects, since this would give Headquarters a kind of veto, leaving matters much as they are at present. In the Inspectors' opinion, once UNDP judges that a commission is able to act as executing or participating agency for a given project and the commission itself is willing to do so, there should be a clear-cut delegation of authority, functions and resources to that commission which, while preserving the Secretary-General's statutory overall responsibility, will leave little room for possible arbitrariness on the part of this or that Headquarters office.

357. From their recent talks at Headquarters the Inspectors understand that there is no longer any objection at least in principle, to the commissions' receiving from now on that share of the 13 per cent overheads which matches their actual contribution to a project; whatever the continuing problems, these, they were told, hinged essentially on the modalities of this apportionment. The Inspectors trust that such differences will be settled without delay.

IX. THE REGIONAL ECONOMIC COMMISSIONS: UNCTAD AND UNIDO

358. Since UNCTAD and UNIDO were created specifically to promote, respectively, International Trade and Development and Industrial Development and since, subject only to policy control by the Council and the General Assembly, these two bodies function autonomously under their respective mandates and under the authority of their respective conferences and boards, specific further delegation of their functions to other bodies might at first glance, hardly be viewed as appropriate.

359. On the other hand, activities in both these fields have been part of the work-programmes of the commissions virtually since their inception. From the viewpoint of more efficient United Nations operations, therefore, it would be highly undesirable were the commissions to pursue their activities without regard to what is being done by UNCTAD and UNIDO, and vice versa.

360. As the executive secretaries pointed out in 1966, the creation of these new sectoral bodies lent increasing importance to the role which the commissions must play as focal points for substantive co-ordination in the field (E/4239). The commissions themselves, for their part, insisted in 1968 that the process of decentralization should not be slowed down or reversed in the light of these new sectoral centralization trends (E/4560).

(1) The regional economic commissions and UNCTAD

361. In 1973 International Trade and Development ranked fourth among the eleven activities in the economic, social and related fields singled out by the Inspectors for detailed study. In the programmes of the commissions, however, it ranked only in the seventh place.

362. During the period under review, roughly half of UNCTAD's total expenditure was incurred on its programmes of activity. These included nine principal categories, i.e. Research; Trade Expansion and Economic Integration among Developing Countries; Commodities; Manufactures; Shipping; Insurance; Transfer of Technology; Trade with Socialist Countries, and Financing Related to Trade.^{81/}

^{81/} Each of these main categories included a number of sub-categories.

363. The above list shows that the field with which UNCTAD deals is already very wide. Moreover, it is rapidly expanding because of the uncertainties of the present international monetary situation and of current negotiations designed to reduce existing imbalances in trade between developing and developed countries.

364. All commissions are deeply interested in the promotion of trade in their respective regions, both inter- and intra-regional; all of them have set up trade divisions and have short and long-term programmes in this field. Naturally, the commissions do not span as large a canvas as UNCTAD, both geographically and in the range of subjects, but they cover more or less the same grounds.^{82/}

^{82/} ECA's substantive work-programme in the years 1972-1973 included studies on such topics as "Restructuring of Africa's Foreign Trade", on the UN/IMCO Draft Customs Convention on Containers and its Relevance to African countries, of Intra-African Trade and on certain commodities; and an assessment of UNCTAD III from an African standpoint. The commission also serviced, alone or in conjunction with other bodies, a number of technical meetings. Lastly, the Africa Trade Centre has established a Trade Promotion Advisory Service, a Training and Public Relations Service, a Trade Information and Documentation Service and a Market Research Service, which have organized symposia, training courses, a training programme and a number of market research studies, as well as joint trade promotion advisory missions and training courses in conjunction with the UNCTAD/GATT International Trade Centre.

ECAFE's International Trade Division carried out in 1972-1973 a large number of commodity studies. Its Trade Promotion Centre organized training courses and its Centre for Shipping Information and Advisory Services completed a survey on existing maritime training facilities in the region and assisted the countries of the region in a number of areas.

ECE's Committee on the Development of Trade has done especially valuable work in the promotion of East-West trade, which is also an important aspect of UNCTAD's own work-programme.

ECLA's programme has included projects on such topics as Trade Policy, External Debt Policy, Exchange Policy, Industrial Protection Policy, Relations between Latin America and Other Regions and Regional Integration. It is also participating in the appraisal of the Trade aspects of the Second Development Decade. It advises the Special Committee on Latin American Co-ordination (CECLA) on the effect on Latin America of monetary fluctuations and other matters. It participates in and renders assistance in various ways to the meetings of CECLA and the Latin American Free Trade Association (LAFTA). Its Caribbean office is closely involved with the activities of the Caribbean Free Trade Association. Advisory services to Governments are provided on request through its Regional Advisors on Export Promotion and on the Institutional Aspects of Trade Policy, etc.

Thanks to the outposting of an UNCTAD-financed professional to UNESOB/ECWA, the latter was able to direct its attention to problems of market access for products of export interest to the region; to prepare three major reviews - on the external sector, developments in the field of intra-regional trade expansion and economic integration, and special measures for the least developed countries - for the appraisal of the first biennium of the Second Decade, to organize with UNCTAD the first of a series of seminars and to give direct assistance to Governments.

365. An analysis of the resources available to UNCTAD and the commissions for the performance of these functions shows, once again, a heavy concentration of these resources at Headquarters (see Annex XII).

366. During the period under review, total expenditure from all funds^{83/} more than doubled, going from US\$ 6.9 to US\$ 14.3 million. UNCTAD's share of these funds (which has risen from 81.2 to 88.2 per cent of the total) went up just as fast - by 122.3 per cent. That of the commissions taken together (which dropped from 13.1 to 9.4 per cent of the total) lagged far behind, increasing by only 47.2 per cent, partly because UNESOB/ECWA had no funds at all for this activity until 1972. Again, individual commissions did somewhat better though, of course, never as well as UNCTAD itself.^{84/}

367. Needless to say here, as elsewhere in the United Nations, extra-budgetary funds acquired growing importance, their total amount increasing by 256.5 per cent and their share of all funds going from 25.9 to 48.2 per cent. UNCTAD's share of these funds increased even more - by 261.4 per cent. That of the commissions, on the other hand (again taken together) increased by only 101.8 per cent. Individual commissions' share of these funds showed even greater disparity.^{85/}

368. The professional manpower picture reflects the preponderant role of UNCTAD itself and the still very modest role of the commissions. Thus, of the 86 additional posts (net) (71 RB and 15 XB) that became available during this period, 80 (65 RB and all 15 XB) went to UNCTAD and only 6 (all RB) to the commissions. As a result, and despite the strengthening of the latter, UNCTAD's share of all professional manpower increased during this period from 74.2 to 80.6 per cent, while that of the commissions dropped accordingly.^{86/}

369. Considering their obvious community of interests, it is understandable and at the same time commendable that both UNCTAD and the commissions should have from the start realized the importance of co-ordinating their activities. Indeed, it appears

^{83/} For 1973, appropriations.

^{84/} ECA's budget increased by 2.8 per cent; ECAFE's by 95.3; ECE's by 18.3 and ECLA's by 66.7 per cent.

^{85/} While ECA's share of extra-budgetary funds went up by 89.2 per cent and ECLA's by 126.3 per cent, neither ECAFE nor ECE have had any such funds.

^{86/} ECA lost 1 post; ECAFE gained 5 posts; ECE lost 1 post and ECLA gained 3 posts.

to have been UNCTAD's policy to seek the closest possible co-operation with the commissions and to treat the latter as its "regional arms". Since 1970 a central unit for liaison with them exists at UNCTAD headquarters.

370. To date, at the programme formulation stage, collaboration between UNCTAD and the commissions has taken the form of: attendance by UNCTAD representatives at meetings of the commissions and of their subsidiary bodies and consultations on questions of mutual interest, such consultations being, in the case of one commission (ECE) periodic and at the top level, and in the case of another (ECAFE) on the subject of one of UNCTAD's medium-term work programmes. At the operational level, this collaboration has involved: mutual assistance in the preparation of documentation for seminars, expert group meetings, international conferences, etc.; the joint convening of meetings; inviting comments on each other's studies and analyses; the outposting of RA's on international trade by UNCTAD to the commissions; and the funding by (or through) UNCTAD of seminars, training courses and other activities.

371. No doubt, partly due to the fact that both have their headquarters in Geneva, UNCTAD's co-operation with ECE seems closer than with the other commissions. For example, the Secretary-General of UNCTAD and the Executive Secretary of ECE hold twice-yearly meetings. There has also been close co-operation in research and other projects of mutual interest. Certain services, such as a reference unit and a data-processing unit (including a computer terminal) are operated jointly by UNCTAD and ECE.

372. The Inspectors have found that good working relations have been developed between individual substantive divisions of UNCTAD's secretariat and the corresponding units in the field. The fact that some senior officials in the commissions had previously worked with UNCTAD has apparently facilitated mutual understanding and co-operation.

373. The Inspectors find, however, that all this does not go far enough and that there is as yet no systematic and optimum exploitation of the commissions' potential. Thus, apart from the above-mentioned twice yearly meetings of the Secretary-General of UNCTAD and the Executive Secretary of ECE and the consultations held with ECAFE on UNCTAD's Work-Programme for 1970-1974 and on specific projects within that programme, the Inspectors do not see any serious attempt to harmonize at the planning and formulation stage the respective work-programmes in areas of common interest, with a view to avoiding making them complementary. Further steps seem needed in this direction. Specifically, the Inspectors suggest that before formulating its two-year, medium-term and long-term programmes, UNCTAD should consult with the commissions. These

consultations should cover both policy and the extent to which the commissions can be of assistance in a contemplated programme or specific activity. UNCTAD's work-programme should indicate what elements (if any) have been delegated to a commission and give the timetable of work and of the feedback of the commissions' contribution to UNCTAD.

374. Although distances are to some extent an impediment, the practice of holding twice-yearly meetings between the Secretary-General of UNCTAD and the Executive Secretary of ECE should also become common practice in the case of the other executive secretaries. This could be arranged without extra cost at the time of ECOSOC sessions or on other occasions when the Secretary-General of UNCTAD and the executive secretaries are jointly present.

375. Needless to say, since UNCTAD had long concentrated on research and studies geared primarily to paving the way for international negotiations, rather than on engaging in operational activities and since it became executing or participating agency for UNDP only in 1971, there was for some time less scope for the involvement of the commissions in its operational work than was the case, for example, with UNIDO, which from the very beginning has had a far larger operational programme. And yet it is in the field of international trade that the commissions have assumed one of their most far-reaching initiatives, namely the formulation in 1967 of the "Export Promotion Programme", which has resulted in the establishment of regional Trade Promotion centres (for the time being in Addis Ababa and Bangkok) and of the joint (UNCTAD/GATT International Trade Centre (ITC) in Geneva.

376. In the view of the commissions, export promotion and related issues are long-term operations, requiring continuity and cohesion. The present policy of funding relatively short-term RA assignments (from six months to two years) ensured neither and could lead to gaps in a project and even to a complete breakdown. Also, as practised now, funding is said to be geared excessively to advisory services, at the cost of such other activities as seminars, training courses and the staff travel^{87/} required for these.

^{87/} For example, the travel budget of ECAFE's entire International Trade Division (which covers not only trade promotion, but shipping, maritime co-operation, trade policy, customs administration, least developed countries, etc.) is \$3,000 per annum; the ITC Liaison Officer to ECAFE, on the other hand, has an annual travel budget of \$10,000.

377. In their 1969 report on ECAFE (E/4781) the Inspectors recommended that both the Bangkok Trade Promotion Centre and ECAFE's International Trade Division should be strengthened by the outposting of some personnel from UNCTAD. To date, UNCTAD has felt that the solution to the problem of the commissions' inadequate resources lay in more active assistance and collaboration between the various headquarters, rather than in staff outposting from Geneva. Neither do UNCTAD or the commissions feel that the establishment of joint divisions is called for (as UNIDO has done in some cases), since in their view, operational activities can be run via the regional Trade Promotion centres and with the help of UNCTAD's liaison office for those centres.

378. The Inspectors are unable to endorse this view, since in their opinion decentralization to the regional Trade Promotion centres and their strengthening would represent decentralization to UNCTAD's own field offices, rather than to the commissions and would therefore not constitute genuine decentralization, as the Inspectors interpret this term in the light of existing legislative decisions.

379. Be this as it may, the Inspectors believe that until official policy regarding the fair sharing of extra-budgetary resources changes, there is little hope that the commissions will be able to become more active operationally in the field of International Trade and Development than they are already. That such active involvement would be probably more effective - and less costly - than remote-controlled operations is, in their view, hardly questionable.

380. Meanwhile, some of the measures already decided here and there should be improved and/or put to wider use. Specifically, the Inspectors believe that UNCTAD should on an agreed basis decentralize to the commissions suitable regional and sub-regional projects (or elements thereof) of which it is executing or participating agency.

381. In the case of non-decentralized UNCTAD programmes or projects with a regional or sub-regional content, the device of joint missions, seminars etc. should be further developed. To this end, some UNCTAD staff could be outposted to a commission for fixed periods (as in the case of UNESOB/ECWA).

382. The device of outposting UNCTAD regional advisors to the commissions (as in the case of ECE and ECLA) should be used to the maximum extent possible.

383. The setting up of joint UNCTAD/commissions units or divisions is also likely to facilitate better harmonization of work-programmes and closer co-operation generally.

384. Lastly, all important UNCTAD studies, etc. with a regional or sub-regional content and in areas of common interest should, as far as practicable, be planned, programmed and participated in jointly by UNCTAD and the commission of the region concerned.

(2) The regional economic commissions and UNIDO

385. Industrial development figured in 1973 in the first place in the United Nations total work programme (from all sources of funds). It was, however, last but one in the commissions' share of these funds.

386. Though it undertakes some amount of support activities (e.g. substantive studies and research, seminars, workshops and other technical meetings, etc.) the accent in UNIDO has been since the beginning on operational activities which account for the bulk of expended funds. These show a wide diversity of origin.^{88/}

387. UNIDO's technical co-operation activities are grouped under three broad headings: Industrial Technology, Industrial Services and Institutions and Industrial Policies and Programming^{89/}, between which the total amounts of money spent are more or less evenly divided.

^{88/} Regular programme, UNDP/IPF, various funds-in-trust, "Special Industrial Services", and UNIDO General Trust Fund.

^{89/} The first group includes such areas as "Engineering Industries", "Metallurgical Industries", "Construction", "Building Materials Industries", "Chemicals, Pharmaceuticals and Pulp and Paper Industries", "Fertilizers", "Pesticides and Petrochemical Industries", "Light Industries" and such miscellaneous areas as "Industrial Branch Reports and Across the Board Techniques"; the second includes "Industrial Administration", "Industrial Institutions", "Industrial Information", "Industrial Management and Consulting Services", "Small-scale Industry and related Activities" and "Industrial Training"; the third includes "Industrial Programming, Project Planning and Policies", "Industrial Financing and Investment Promotion", "Promotion of Export Orientation Industries" and "Industrial Surveys and Studies".

388. Most of the commissions have also been engaged in varying degrees in the promotion of Industrial Development within their respective regions.^{90/}

389. A brief analysis of the resources available to UNIDO and the commissions for the execution of their respective responsibilities shows once again a heavy concentration of such resources at Headquarters. Thus, during the period 1970-1973 total funds (from all sources) in this field increased from US\$ 19.7 to US\$ 31.1 million, i.e. by 59 per cent. (See Annex XIII).

390. UNIDO's growth over this period accentuated this trend, its share of all funds (which has never been less than 85 per cent) increasing by 68.2 per cent. On the other hand, that of the commissions trailed far behind with an increase of only 8.7 per cent. True, individual commissions did better.^{91/}

^{90/} ECA's activities fall within the programme formulated by the joint ECA/UNIDO Conference on Industry in Africa in 1971. In 1972-1973 substantive studies were made of a number of specific industries, with special emphasis on small-scale industries, as well as on such topics as Current Policies, Problems, Experiences and Financing for Multinational Industries, Governments' Role in the African Business Sector with Special Reference to Capital Supply and Technical Assistance and its Impact on Employment and the Development of African Enterprises. The Commission up-dated a "Project Register of New and Planned Industrial Projects in Selected African Countries" and a supplement to the "Guide to Manufactures of Small-scale Machinery". It also organized seminars and assisted in the formulation and evaluation of specific studies and projects.

ECAFE has two inter-governmental organizations: a standing Committee on Industry and Natural Resources and the Asian Industrial Development Council (AIDC). Its work-programme, which involves substantive studies and publications; the organization, servicing and backstopping of technical meetings and missions, and advisory services to countries, relates to such areas as Industrial Development and Planning, Industrial Research, Industrial Standardization, Planning and Development of Export Industries, Promotion of Regional Co-operation in Industrial Development and Development of Small, Metal-Producing and Transforming, Agro-based and Electrical and Electronic Manufacturing Industries. It issues the Industrial Development News and a Small-scale Industry Bulletin for Asia and the Far East.

ECLA's work-programme in 1972-1973 dealt with such areas as the Evolution of the Industrial Development Process and included a contribution to the Annual Economic Survey and participation in the appraisal of the first biennium of the branches of industry. The Commission's Industrial Development Division has also provided advisory services to individual countries.

Even UNESOB/ECWA has undertaken a number of surveys and this, thanks to UNIDO, which has out-posted a complement of professional and general service staff to the region.

^{91/} ECA's budget increased by 8.4 per cent; ECE's by 18.1 per cent, and ECLA's by 15.3 per cent. On the other hand, ECAFE's dropped by 15.9 per cent.

391. A unique characteristic of this particular activity is the predominance of extra-budgetary funds, which during the period under review have consistently accounted for almost three times the amount of regular budget funds. UNIDO's share of these has likewise been predominant (between 85.4 per cent and 90.8 per cent), increasing further during this period by 68.3 per cent. Although the commissions' share has grown even faster - by 79.4 per cent - it was in 1973 still only 0.5 per cent of the total; moreover, even though, again, some commissions did better than others, all the commissions involved show the same trend.^{92/}

392. Despite a net increase of 13 XB-funded posts, the overall manpower situation remained static, on account of a loss of 13 RB posts. Typically, whatever increases there were benefitted exclusively UNIDO, which got all the additional XB posts, plus 1 RB post. On the other hand, all the commissions lost posts - a total of 14.^{93/}

393. While a study of the commissions' work programmes shows that only ECLA has, to some extent, been handling matters relating to Industrial Technology, most of them have acquired experience in the other two fields, i.e. Industrial Services and Institutions and Industrial Policies and Programming. The question once again arises as to how their programmes fit into the overall picture of United Nations activities in the field of Industrial Development for which UNIDO is, admittedly, mainly responsible.

394. Collaboration between UNIDO and the commissions has developed gradually. In the beginning the former was apt to initiate studies with regional or sub-regional connotations without consulting the commissions and these, in their turn, might undertake surveys or studies that were not co-ordinated with UNIDO. But in 1969 representatives of the commissions went to Vienna at UNIDO's expense to discuss the Organization's work programme for 1971 and another high-level discussion took place in 1971.

395. As regards operational activities, co-operation between UNIDO and the commissions has included such features as joint missions (sometimes with FAO), mutual assistance

^{92/} ECA's share increased by 52.2 per cent; ECAFE's by 90.9 per cent and ECLA's by 127.8 per cent. ECE has not had any XB funds.

^{93/} ECA gained 2 RB posts; ECAFE lost 12 RB posts; ECE lost 2 RB posts; and ECLA lost 2 RB posts.

in the preparation of conferences and meetings^{94/}; the funding by UNIDO of RA's^{95/} and of other selected regional projects carried out by the commissions, and assistance by UNIDO-funded RA's and "Industrial Field Advisers" to the UNDAT's.

396. Nevertheless the situation was for some time far from satisfactory. Thus in 1971 ECA reported that no formal mechanism had so far been established to promote and sustain co-operation and co-ordination of activities between it and UNIDO; present arrangements, where they existed, were on an ad hoc basis. ECAFE, likewise in 1971 informed the Inspectors that it was "not in the picture" for any UNDP/SF projects for which UNIDO was executing agency. Generally speaking, the executive secretaries indicated in 1971 that "a basic re-examination of the division of labour between UNIDO and the regional commissions was required [which] UNIDO proposed to amplify to develop a system which would ensure that the activities of UNIDO on the one hand and of the regional commissions and UNESOB on the other hand were mutually complementary and represented a unified programme of action of the United Nations in each region In this way the regional commissions would become the regional arms for UNIDO [acquiring also] access to a wider source of international experience and development in industrial technology" (E/5039).

397. Though to date this has not been achieved, a further step was taken in the right direction in 1973, when it was decided to establish an ECA/UNIDO Joint Industrial Division, the functions of which are to include, i.a. the development of a detailed joint work programme in the field of industrialization for Africa.^{96/} The executive secretaries in 1973 expressed the hope that similar arrangements could be worked out with ECAFE (E/5370).

^{94/} Such as the ECAFE/UNIDO feasibility study on the Ferro-Alloy Industry in the Mekong Countries; the ECAFE/UNIDO/FAO inter-regional seminar on the Industrial Processing of Rice; the ECA/UNIDO jointly-sponsored Conference of Ministers of Industry in Africa; joint meetings with ECA, ECAFE and UNESOB on the problems of the least developed countries and the coming Second General Conference of UNIDO in 1975 in Lima.

^{95/} Although they differ from other RA's in that they are paid for by and are responsible to UNIDO, the Inspectors understand that their presence in the regional industrial divisions is proving a most useful means of co-operation and communication between UNIDO and the commissions and is increasing the latter's capacity for the promotion of industrial development.

^{96/} Due to start operations on 1 January 1974, the Inspectors were informed that its activation has been delayed. Moreover, the agreement does not cover the Housing Section and the ECA/FAO Forest Industries Advisory Group, which are to remain outside the Joint Division and thus will continue to require specific co-ordination with the offices concerned.

398. UNIDO seems to have progressed further than UNCTAD in institutionalizing its consultations and co-operation with the commissions. Less, therefore, needs to be done to improve this relationship. Nevertheless, the Inspectors believe that UNIDO should consider increasing the number of joint units, starting with the ECAFE region, as was urged by the AIDC in 1966, 1967, 1968, 1971 and 1972 and by the Second Asian Conference on Industrialization. The Inspectors have been assured that this would entail little or no additional cost, since existing staff (including RA's) would simply be redeployed. Indeed there would be an actual savings in travel costs, since most UNIDO work would thereafter be backstopped from Bangkok rather than from Vienna. The principle has apparently been endorsed by UNIDO itself which, in its medium-term plan for 1974-1977 has stated that "from 1974 onwards, part of UNIDO activities will be decentralized through the redeployment of headquarters staff to the regional economic commissions, to establish and strengthen joint industrial division" (ID/B/120).

399. While programme discussions and reviews are significant advances, the steps so far taken fall short of the process which could integrate the programmes of UNIDO and of the commissions. Something more is required. Thus, programme discussions are required not just before the submission of programmes to UNIDO's IDB, but well in advance, so that these discussions could influence their final formulation. This should be, of course, without prejudice to the requirement that the programmes must be approved by the respective governmental bodies, i.e. the IDB and the commissions themselves.

400. In addition, UNIDO should, by agreement with the commissions concerned, decentralize to them suitable regional and sub-regional projects (or elements thereof) of which it is executing or participating agency.

401. In the case of non-decentralized UNIDO programmes or projects with a regional or sub-regional content, the device of joint missions, seminars, etc. should be further developed. As has already been done in the UNESOB/ECWA region, UNIDO could consider outposting some UNIDO staff for fixed periods to other commissions.

402. Lastly, all important UNIDO studies etc. with a regional or sub-regional content and in areas of common interest should, as far as practicable, be planned, programmed and participated in jointly by UNIDO and the commissions of the region concerned.

X. SOME FURTHER PROBLEMS OF DECENTRALIZATION

403. In preceding chapters of this study the Inspectors have referred to some of the difficulties pointed out to them or which they themselves were able to identify in connection with the various specific issues with which they dealt. At this point, they wish to mention a few additional difficulties which are time and again invoked in connection with decentralization and which transcend these specific issues. All of them relate in one way or another to what is commonly referred to under the term "capacity" of the commissions, i.e. the professional manpower situation there. As they were able to show by detailed statistical analyses, despite the occasional strengthening of this or that regional office over the years, the overall manpower situation in the field not only compares, more often than not, unfavourably with that at Headquarters, but it is in most cases deteriorating.

404. This critical staffing situation appears to be caused by two factors:

- the far smaller number of additional posts and especially of extra-budgetary posts made available to the commissions, as compared to Headquarters' offices;
- the continuing large number of vacancies even among the posts authorised for the commissions.^{97/}

(1) The problem of vacancies

405. The Inspectors have already dealt at length with the former issue. Here they would like to address themselves briefly to the problem of vacancies which, incidentally, exists not only in the field but at Headquarters too. But it affects the performance of the commissions, both present and future, even more vitally. The Inspectors fully realise that this problem does not have an easy solution. It arises in the main from the difficulty of finding suitably qualified professional personnel in the context of the criteria, terms and conditions of employment in the United Nations

^{97/} For example, out of 7 authorized posts in ECAFE's Social Development Division in 1973-1974, only 3 were filled. Only one sector, i.e. "Social Welfare" was fully manned; "Research and Planning" was covered by one staff member out of an authorized 3; "Community Development" was not covered at all, and "Youth" was expected to be covered by a short-term consultant. In ECA in February 1974 as many as 34 out of a total of some 140 professional posts were said to be vacant.

and from the absence in the Organization of an effective system of staff re-deployment and rotation.

406. Earlier in this study the Inspectors described in some detail present recruitment procedures. It appears, however, that in many cases the problem is not who recruits where, for how long and on what terms, but the growing shortage of qualified personnel willing to work for the United Nations generally.^{98/} This problem is aggravated by the proliferation of autonomous or semi-autonomous sectoral organizations within the United Nations system and outside it, all of which are competing with the United Nations itself in an already strained manpower market.

407. It is further aggravated because candidates must not only be qualified, they must also be acceptable to the offices concerned and the two criteria are not necessarily reconcilable. This is as true for the regions as it is for Headquarters' posts. In the commissions the present position is that between 80 and 90 per cent of all professional staff must be from the region; and as among such staff, an equitable distribution within the region is also insisted upon.

408. The Inspectors do not venture to go into this matter in any great detail. They merely note that the commissions' secretariats themselves consider that this is one of the main reasons for the large number of vacancies in their professional establishments, whence their recourse to such expedients as the systematic use of short-term consultants or the immobilization of many RA's at regional headquarters, instead of sending them out into the field.

409. Redeployment of Headquarters staff in connexion with the decentralization of a specific activity and a more systematic rotation of staff between Headquarters and the commissions (about which more will be said presently) may to some extent alleviate the problem. However, the possibilities in this regard are on the whole admittedly limited. Other solutions to the problem of vacancies must therefore be explored.

^{98/} The Inspectors were told that in 1973, for instance, to fill 824 posts, TARS processed some 12,000 candidates, but was able to make only 2,000 final submissions. Though in some sectors there are, apparently, 20 to 30 responses to each offer, in others, countries may have to wait from one year (Mining legislation) to four (Computer technology) before their requests can be filled - if at all.

410. For example, when a vacancy arises or is expected in a commission, the Executive Secretary should in good time approach the Office of Personnel Services at Headquarters with a view to filling it. In the event that Headquarters finds itself unable to recruit a candidate answering the required criteria, the Executive Secretary should be so informed. He should then have the discretion, having regard to all the facts and circumstances and the urgency of the situation, to recommend the recruitment of a qualified person on a short-time basis not exceeding two years. This dispensation should not apply to generalists, but only to posts requiring technical expertise.

(2) Redeployment of staff

411. Since the beginning of decentralization, one of the means of solving the perennial shortage of staff in the commissions was seen in the redeployment of professional staff (including outposting, secondment or rotation) from Headquarters to the field. Almost all in-depth studies on the subject, including the Inspectors' own reports on the commissions, have made recommendations to this effect.

412. Between 1963 and the last quarter of 1973 staff movements in the United Nations Secretariat affected altogether 1,560 persons, broken down as follows: transfers: 1,209; secondments: 127; detailed to missions: 158; detailed to special projects: 59; others: 7. Of the 1,209 staff members transferred from one location to another, only 178 involved transfers between Headquarters and Geneva (excluding ECE) and the 5 commissions. Of these, ESA accounted for 67 transfers, of which 5 to the commissions and 14 to Geneva (always excluding ECE). The latter accounted for 18, of which 12 to the commissions and 6 to ESA. The commissions in their turn accounted for 93, of which 37 to ESA, 35 to other commissions and 21 to Geneva. In other words, over this 10-year period the commissions received from ESA and Geneva 65 staff members and lost to ESA and Geneva 58 staff members, i.e. a net gain of 7 staff members. Broken down by location, the largest net gain was that of UNESOB/ECWA with 11, followed by ECE: 6, and ECAFE: 1. The only net loser was ECA: 11. ECLA received 17 and lost 17, remaining thus stationary. As for Headquarters, ESA lost 24 and Geneva (still excluding ECE) received 17 (See Table 6).

413. Actually, any strengthening of the commissions over this period has been by and large on a temporary basis, through short-term secondment to help them with a given project.

414. Were it possible to obtain a breakdown between substantive and non-substantive staff transferred (which the Inspectors have unfortunately not been able to do), it is likely that the situation would turn out to be even worse. By way of example the Inspectors note that of 28 transfers in 1963-1964, 21 involved non-substantive staff and are therefore fairly irrelevant to the issue of decentralization of the other 7, only 2 were transferred to the field. Moreover, they were told that the professional staff transferred from the field to Headquarters was usually that with the greatest experience and highest qualifications; this was not necessarily the case with Headquarters' staff transferred to the field.

TABLE 6
Staff Movement. 1 January 1963 to 30 September 1973
(all categories of posts)

Transfer from:	Transfer to:							TOTAL
	ESA/N.Y.	ESA/ GENEVA	ECA	ECAFE	ECE	ECLA	UNESOB/ ECWA	
ESA/N.Y.	-	14	14	7	9	13	10	67
ESA/GENEVA	6	-	3	4	2	1	2	18
ECA	15	11	-	7	2	2	1	38
ECAFE	10	6	3	-	-	-	1	20
ECE	3	1	5	2	-	1	1	13
ECLA	5	2	2	1	6	-	1	17
UNESOB/ECWA	4	1	-	-	-	-	-	5
TOTAL	43	35	27	21	19	17	16	178

Other transfers to other departments = 1,031

TOTAL TRANSFERS 1,209

Secondments 127

Detailed to missions 158

Detailed to special projects. 59

Other 7

TOTAL MOVEMENT OF STAFF 1,560

Source: Secretariat

415. It follows from the above that no serious attempt would appear to have been made to date to intensify staff redeployment from Headquarters to the field, at least to the degree achieved (and even then not without difficulties) when UNCTAD was set up in Geneva and UNIDO in Vienna. Indeed, what we seem to be witnessing is the now familiar "brain drain" from the field to Headquarters (including UNCTAD and UNIDO), one of its apparent causes being that Headquarters' posts are judged more attractive (greater chances of promotion, etc.).

416. Although the Inspectors are aware of the problems (substantive, administrative, personal and even in some cases psychological) involved in re-deployment, they still believe that the decentralization of an activity must necessarily involve the re-deployment of some professional staff from Headquarters to the commission concerned. This re-deployment should not normally result in the automatic replacement of such staff and thus, in effect, in a net increase in the overall establishment.

417. The Inspectors recognise that the application of this principle is not easy and that no strictly mathematical apportionment of staff between the various offices is possible. They note, however, that in 1972 ILO carried out a substantial decentralization of its activities to the office of its Regional Director for Asia in Bangkok, which involved the transfer of many professional staff members from ILO Headquarters in Geneva to the region. The Inspectors understand that ILO's late Director-General, Mr. Wilfred Jenks, took special interest in and personally supervised this operation, which may account for its success.

418. The Inspectors also attach great importance to more frequent short-term secondments of Headquarters' staff to the field during priority periods there. This has a number of advantages: it causes a minimum of disruption in the home stations of the seconded official; it guarantees against the "unloading" on the commissions of staff which Headquarters may wish to get rid of; lastly, it ensures the necessary flexibility of capacity both at Headquarters and in the field in line with possibly changing priorities.

419. It would be very desirable to combine such short-term secondments from Headquarters to the field with similar secondments in the opposite direction - from the field to Headquarters - in order to familiarize regional staff with the methods of work and problems encountered there. For one thing, this sort of staff rotation is the best means of assuring the cross-breeding of ideas, backgrounds and experience

which is one of the main arguments invoked in support of the United Nations' traditional "global" approach, as opposed to the purported "parochialism" of some of the commissions.

(3) Cost problems

420. One of the arguments most often invoked against decentralization is its alleged high cost. Since in the preceding paragraphs the Inspectors have frequently referred to the need for sufficient resources to be made available to the commissions concomitantly with the decentralization to them of certain functions and activities, it might be inferred that decentralization must necessarily be a costly operation and that the Inspectors accept and even favour the idea of a considerable increase in expenditure in this connexion. This would be incorrect. Although it is conceivable that in certain expanding areas of activity that result from legislative decisions, more intensive action may be required and this could mean additional expenditure (which Member States will have accepted), the Inspectors believe that decentralization should not lead automatically to a proliferation of staff and to soaring administrative costs.

421. The Inspectors' recommendations regarding the further decentralization of activities from Headquarters to the field relate to two categories of activities: (a) those funded under the regular budget, and (b) those funded from extra-budgetary resources.

422. As regards the first group of activities, the Inspectors recommend essentially a greater delegation of authority and administrative responsibilities and less intervention by Headquarters in the running of effectively decentralized regional activities. For increased responsibilities as executing or participating agency for technical co-operation projects financed from UNDP and other extra-budgetary funds, some technical advisors and other staff (e.g. temporary assistance, consultants, etc.) and other resources and facilities may be necessary. These should normally come out of the commission's share of overhead costs, as recommended in this report and not through additional appropriations.

423. Extra backstopping responsibilities for both groups of activities may require strengthening of some divisions in the regional economic commissions, particularly those which are weak at present and will have to take substantial extra responsibilities. It should be possible to achieve such strengthening largely by re-deployment of professional staff from Headquarters to the regional commissions, without an overall increase in the staff resources of the United Nations.

424. In Annex XIV the Inspectors analyse some of the cost-factors involved in the re-deployment of professional staff from Headquarters to the field. Admittedly, these figures are subject to certain errors of under- or over-estimation in possibly changing circumstances. Nevertheless, even allowing for a margin of error, one thing is certain: staff re-deployment from Headquarters to the commissions is likely to result in savings and this will be all the more true in the future, considering the present trend towards soaring travel costs, increased post adjustments, and per diem, etc. If we also take into account the distinctive benefits and expected added effectiveness and efficiency of decentralized operations, which cannot be easily costed in monetary terms, the element of savings could be larger still. Moreover, this conclusion seems to be confirmed already now by the figures in Annexes III to XIII relating to the 1970-1973 period, where we see that the "dollar/post" expenditure ratio is usually favourable to the commissions and unfavourable to Headquarters.

425. The recent experience of ILO in this connexion seems significant. According to para. 147 of the Director-General's introduction to ILO's Draft Programme and Budget for 1974-1975, submitted to the ILO Conference at its 58th Session in 1973, "for Latin America and the Caribbean, the overall resource level proposed is higher than in the current biennium, since it is necessary on this occasion to provide for decentralization for a whole biennium rather than for just one year of the biennium, as was the case in 1972-1973. The increase in resources proposed is, however, less than would have been necessary to maintain the full level of activities in the region provided for in the approved Programme and Budget for 1972-1973". In other words, given the same level of activities the cost in a fully decentralized period was less than would have been the case in a partially decentralized period. Likewise, para. 148 of the Director-General's introduction in the same document indicates that full decentralization was proposed for Africa in 1975. Although there was a large increase in resources for Africa during 1974-1975, the proposals for the major programme for Africa provided an increase of less than 10% in real terms, compared with 1972-1973 during which period the budget provided for only a "slight decentralization".^{99/}

^{99/} Report II, Draft Programme and Budget for 1974-1975. International Labour Conference, 58th Session, 1973, paras. 147 and 148.

426. While ILO experience need not be regarded as conclusive^{100/} it at least indicates that decentralization in itself need not necessarily be more costly. Since the Inspectors view decentralization not in terms of the build-up of a parallel establishment in the regions that would duplicate that at Headquarters, but in terms of the re-distribution of resources in such a way as to ensure their most rational use in carrying out a well co-ordinated work-programme, they believe that decentralization should normally result in overall economy, at any rate, over a long-term period.

^{100/} ILO are now making an indepth review of decentralization to be submitted to the Governing Council in May 1975.

XI. MAIN FINDINGS AND CONCLUSIONS

427. The Inspectors have recorded their findings and conclusions on particular aspects of this study in the context of the relevant issues connected with the problem of decentralization. They would now like to summarize their main findings and conclusions.

428. As they see it, the reasons that have prompted the Economic and Social Council and the General Assembly over the years to insist that far more United Nations activities, both substantive and operational, be decentralized to the regional economic commissions and that the latter be strengthened to this end, have lost none of their validity. The need to make United Nations development activities more responsive to the different problems and requirements of the various regions and sub-regions of the world is no less acute today than it was in the past. The whole question of development has now entered an urgent and crucial phase. The strategy for the Second Development Decade has laid down not only a new philosophy, based on the integration of the economic and social aspects of development, but also targets to be attained during the decade; and it is the express wish of the Council and the General Assembly that the commissions should participate actively in the implementation and review and appraisal of the strategy. Indeed, in their respective regions, the main responsibility that now devolves upon them requires them to become more involved in all activities. Even the accent placed nowadays on country programming highlights the importance of framing such programming within a sub-regional or regional context. Thus the commissions' role as key instruments of the Organization in the regions is, if anything, even more compelling, and the need to provide them with the authority and resources required to play this role is even more imperative today than it was in the past.

429. And yet the Inspectors' investigation of the pattern of distribution of United Nations economic, social and related activities between the various offices of the Organisation (including UNCTAD and UNIDO) shows that despite continuing prodding by the Council and the General Assembly, except for the decentralization some years ago of two sectoral activities from Headquarters to UNCTAD and UNIDO, there is at present not only already a heavy concentration of activities at Headquarters, with the commissions playing by and large only a marginal role, but that this concentration at Headquarters is steadily increasing, while the commissions' role is declining accordingly.

430. Thus the regular budget share of expenditure on all economic, social and related activities (from which the commissions are mainly funded) dropped between 1970 and 1973 (appropriations) from 50 to 44 per cent. On the other hand, the share of extra-budgetary resources, most of which are administered directly from Headquarters, increase proportionately, i.e. from 50 to 56 per cent. A projection of these trends, barring unforeseen developments, indicates that in another four or five years there will be an even heavier concentration of activities in the above fields at Headquarters, with a concomitant decline in the role of the commissions. Such a top-heavy structure at Headquarters can hardly be conducive to functional stability and organizational equilibrium and will make it increasingly difficult to manage with optimal economy and efficiency operations of a growing magnitude that range throughout the world.

431. The Inspectors' specific findings show that at present there is all too frequently little or no dialogue between Headquarters' offices and their counterparts in the regions. As a result, many work-programmes are inadequately co-ordinated, when they are co-ordinated at all, and whatever "vetting" of work-programmes exists is one-sided instead of reciprocal inasmuch as the regional programmes are made available to Headquarters but the contrary is not necessarily true. Moreover, those consultations that are held, take place often at too late a stage to have much effect. As a result, there is all too often little or no rational distribution of authority, responsibilities and resources.

432. At the operational level, the commissions' responsibilities seem confined to running some aspects of the regional advisors' programmes (whose number is diminishing) and some training projects (a likewise waning activity). The bulk of United Nations technical co-operation activities, i.e. those funded by extra-budgetary resources, remain by and large beyond their reach. Moreover, even in the relatively few instances where the latter are said to have been decentralized to them, the residual responsibilities of Headquarters are still considerable; and their hold over resources, including overheads, well-nigh total.

433. The Inspectors consider that one of the main reasons why activities are still so heavily concentrated at Headquarters is the reluctance of many offices there to divest themselves of the responsibilities and, especially, of the resources required to run many activities which, because of their regional (or inter-country) or sub-regional nature, should logically be run from the field.

434. In many cases the argument advanced to explain the retention of Headquarters' control over such activities is the commissions' alleged "lack of capacity". As the Inspectors show, often this "capacity" does not involve so much rare technical expertise as average-level professional backstopping staff - both substantive and administrative.

435. Even though individual commissions have been occasionally strengthened in one field of activity or the other, over 90 per cent of all additional professional posts held or authorised during the past four years have gone to Headquarters' offices.

436. Moreover, again despite repeated and clear legislative injunctions to this end, any strengthening of the commissions has been, by and large, through additional recruitment or through recourse to short-term assistance; there has been little or no re-deployment of Headquarters' staff to the field and to any extent that this has happened, the operation has been matched by re-deployment from the field to Headquarters.

437. One of the consequences of this has been increased reliance by the commissions on extra-budgetary special purpose funds which, however welcome to those concerned, pose their own problems.

438. Therefore, in the Inspectors' opinion, the argument of "capacity" (or the lack of it) has no validity in the context of the issue of decentralization. Indeed, this is begging the question. Capacity is a product of resources. Past experience has shown (and this is confirmed both by the Member States of the commissions and by Headquarters' officials themselves) that the commissions have done well whenever they had the means to do so. If the lack of means to run decentralized activities is to be continuously invoked to deny the commissions the right to do so, and if these means are to be systematically denied them, irrespective of whether the nature of an activity requires it to be run from the field or not, it is likely that centralized control will continue ad infinitum.

439. To date, the decentralization of a given operation and, especially, the sub-allotment of the resources to backstop it, have been by and large contingent upon the willingness of individual Headquarters' offices to divest themselves of the authority, responsibilities, funds and staff involved.

440. The Inspectors believe that the time has come for the General Assembly and the Economic and Social Council to take stock of the situation and to prescribe more binding criteria and concrete measures that would leave little room for an arbitrary retention by Headquarters of responsibilities and resources which, on account of the nature of certain operations, belong logically elsewhere. To this end, the Inspectors have formulated a number of specific suggestions and recommendations.

441. The Inspectors believe, for instance, that even given present organizational structures and programming systems, it is possible to achieve a far more effective co-ordination of work programmes. This, as they see it, cannot fail to remove some of the existing overlap and duplication and the consequent wastage of scarce resources, and also to result in a more rational distribution of responsibilities. And this, in turn, will lead necessarily to a strengthening of the commissions.

442. The Inspectors have suggested a number of measures to enhance the commissions' responsibilities in the case of such activities as regional and sub-regional advisory services and training projects.

443. As a matter of principle and subject only to a commission's possible reluctance to accept a given responsibility, the Inspectors believe that all regional (inter-country) and sub-regional activities, irrespective of their sources of funding, for which the United Nations (as distinct from UNCTAD and UNIDO) is already, or may be named executing or participating agency, should be, within a fixed period, fully decentralized to the commissions which would be, in their turn, named executing or participating agency and would receive all the necessary authority and resources (including overheads) to this end. But to smoothe the transition, the Inspectors believe that during a first period (to be timed) the commissions should be made responsible only for such activities as are both regional (inter-country) or sub-regional and multi-disciplinary. They believe also that even in the case of certain country activities, the commissions should play a far more active role than has been theirs to date.

444. One of the logical consequences of the Inspectors' suggestions would be the tightening of the relationship between the commissions and UNDP, which are still far too tenuous; and a further strengthening of the closer ties that exist between them and UNCTAD and UNIDO.

445. Indeed, the greater involvement of the commissions in regional (inter-country) or sub-regional and country projects funded from extra-budgetary resources requires far closer contacts both at the level of UNDP headquarters - between the executive secretaries, the Office of the Administrator and the regional bureaux; and in the field - between them and the UNDP regional representatives.

446. On account of the special responsibilities of UNCTAD and UNIDO in their respective sectors, the relationship between them and the commissions must necessarily differ from that which exists between other Headquarters' offices and the commissions. Indeed, in some respects the various forms of collaboration that have been devised by them are both more original and more advanced. Nevertheless, even these require to be strengthened and extended to those commissions where such ties are still weak. Moreover, there appears to be room, also in the case of UNCTAD and UNIDO operational activities, for more active regional participation and, possibly, even for more actual decentralization to the commissions.

447. Through such devices as staff re-deployment and rotation the problem of vacancies in the commissions could be to some extent alleviated at possibly less, and even no cost. In some other cases of particularly scarce expertise, the device of short-term contracts may be the answer.

448. Given strict but reasonable standards, criteria and guidelines and provided that these are faithfully observed, many support activities can and indeed should likewise be decentralized.

449. Any decentralization of activities from Headquarters to the commissions should necessarily involve a delegation of increased authority and responsibilities and the making available to the commissions of additional resources, in terms of funds and possibly professional staff. Such funding should normally come from the share of overheads that corresponds to the functions that will have been decentralized. Moreover, the deployment of staff should not normally lead to recruitment of replacement staff at Headquarters and thus to an increase in the total establishment.

450. The increased responsibilities of the commissions resulting from the decentralization mentioned above would necessitate the re-examination of the commissions' internal organizational structures. These would also require a re-examination and an enhancement of the role of the Regional Commissions Section at Headquarters, as well as an examination by the Secretary-General of the question of the up-grading of the post of executive secretary of the commissions.

451. On the other hand, the further decentralization of activities to the commissions as recommended by the Inspectors, should not detract from the important functions and responsibilities of Headquarters that arise from the unique position of the Organisation within the United Nations system as regards co-ordination, the establishment of priorities, the identification of new problem areas, research in certain fields requiring special expertise and the overall review and appraisal of development policies and practices within the context of the Second Development Decade. Nor should they detract from the Secretary-General's statutory responsibilities for overall financial and administrative control over all United Nations activities, generally.

452. The Secretary-General should be invited to report to the General Assembly on what measures he will have taken to carry out the Inspectors' accepted recommendations.

MAIN RECOMMENDATIONS^{1/}

I. CO-ORDINATION OF WORK PROGRAMMES

1. In line with past legislative decisions culminating in ECOSOC resolution 1724 (LIII), agreed systematic and effective measures should be devised and enforced to ensure a better co-ordination of the respective work programmes of United Nations Headquarters' offices (including UNCTAD and UNIDO) and of the regional economic commissions in all fields of common interest to them. Consultations to this end should take place at all stages of each other's programmes or projects, starting with their inception, an appropriate timetable for such exchanges being agreed between the Headquarters and regional offices concerned. In so doing, the following should be taken into account:

- (a) Global or inter-regional activities should, as far as possible, be preceded by sub-regional and regional (or inter-country) activities on the same topic;
- (b) Sub-regional and regional (inter-country) activities should, wherever possible, be planned to serve as inputs to inter-regional and global activities on the same topic;
- (c) Inter-regional or global components of sub-regional or regional (inter-country) activities should normally be the responsibility of Headquarters' offices;
- (d) Sub-regional or regional (inter-country) components of inter-regional or global activities should normally be the responsibility of the commissions;
- (e) The draft work programmes should indicate clearly which inputs are to be provided, respectively, by Headquarters and regional offices and the timetable for such contributions, so as to ensure a clearcut distribution of responsibilities.

(paragraphs 77, 78, 210-224, 216).

^{1/} In addition to these main recommendations, the Inspectors have made a number of suggestions to which they invite attention (see paragraphs 99, 112, 217, 220-222, 304, 305, 328, 345).

II. ADVISORY SERVICES

(A) Inter-regional and regional advisors

2. The respective criteria for the recruitment of inter-regional and regional advisors should be clearly defined and the qualifications of all candidates to such posts carefully scrutinized so as to ensure conformity with their proposed responsibilities (paragraphs 88-90, 93, 99).
3. Inter-regional advisors should be used only for assignments of a clearly "global" nature, i.e. not specifically related to any particular region, and for which regional advisors are not available (paragraphs 86, 93, 198, 200-202).
4. The criterion of "field presence" should be enforced more strictly than has been the case to date as regards both types of advisors (paragraphs 89, 91-93, 96, 97, 99).
5. Advisory services in the regions should be strengthened through an increase in the number of regional advisors and a reduction in that of inter-regional advisors (paragraphs 93, 203).
6. The programmes of an inter-regional advisor's assignments and his reports thereon should be invariably communicated to the regional economic commission concerned. Any comments and suggestions by the commissions should be forwarded to Headquarters without delay (paragraphs 92, 198-201).
7. Regional advisor projects should be so planned and programmed as to reflect the tangibly expressed needs of countries of the region concerned. Their assignments should be thoroughly prepared through close co-ordination with the UNDP resident representatives and the Governments of the region (paragraphs 97-100).
8. More sophisticated evaluation of the work of inter-regional and regional advisors should be instituted by Headquarters and the commissions (paragraphs 93, 99, 301-303).

(B) UNDAT's

9. The selection of an UNDAT team leader and the composition of the team in terms of the number of experts and nature of the disciplines required should be the joint responsibility of the regional economic commission concerned and of Headquarters. The recruitment of the members of the teams should continue to be the responsibility of Headquarters, acting in close and continuing consultation with the commission (paragraph 110).

10. An UNDAT, once set up and established, should become the full responsibility of the commission concerned. For its part, Headquarters should be kept apprised of an UNDAT's work through periodic reports or such other devices as may be agreed between it and the commission. Any guidance in respect of the operations or management of the team should be exercised by Headquarters, in the light of agreed standards and criteria, through the commission (paragraphs 110-111).

III. TRAINING PROJECTS

11. Inter-regional, regional (inter-country) or sub-regional training programmes or projects (i.e. seminars, workshops, study tours, fellowships, etc.) should be planned jointly and carefully by Headquarters and the regional economic commissions (paragraphs 118, 120, 204-207, 280), keeping in view recommendation 1 above and the following considerations:

- (a) The commissions should be invited to provide comments and suggestions on all inter-regional training projects programmed by Headquarters. Such comments and suggestions should be requested by and forwarded to Headquarters in good time (paragraph 205);
- (b) All regional (inter-country) or sub-regional training projects programmed by Headquarters should be co-ordinated with the commissions concerned; to the extent of their willingness to do so, the commissions should organize and service all such projects (paragraphs 205, 207, 279);
- (c) For their part, the commissions should invite Headquarters to provide comments and suggestions on all regional (inter-country) or sub-regional training projects programmed by them. Such comments and suggestions should, likewise, be requested by and forwarded to the commissions in good time (paragraph 206);
- (d) Subject to the observance of agreed standards and criteria, all regional (inter-country) or sub-regional fellowship projects should be fully decentralized to the commissions concerned (paragraphs 281, 282).

IV. OPERATIONAL PROGRAMMES AND PROJECTS FUNDED BY EXTRA-BUDGETARY RESOURCES

12. Without prejudice to the initiative of other bodies of the United Nations in this regard, the regional economic commissions should play an active role in identifying, initiating and formulating regional (inter-country) and sub-regional programmes and projects (paragraphs 257, 318-320).

13. All regional (inter-country) and sub-regional operational projects of which the United Nations (as distinct from UNCTAD and UNIDO) is at present or may in future become executing or participating agency should, as a matter of principle, be fully decentralized to the commissions, the latter being designated directly executing or participating agency (paragraph 326). The application of this principle is subject to the following qualifications:

- (a) The wishes of the commissions should be taken into account;
- (b) In order to allow for a period of adjustment, initially the commissions should be designated executing or participating agency only for such projects that are of both (i) a regional (inter-country) or sub-regional, and (ii) a multi-disciplinary nature;
- (c) At the end of four years, i.e. by 1979 the commissions should be executing or participating agencies for all regional (inter-country) or sub-regional programmes and projects in their respective regions, whatever their nature;
- (d) Such decentralization to the commissions should be without prejudice to the overall responsibilities of the Secretary-General for the implementation of technical co-operation activities and consequently to his receiving periodic reports from the commissions, commenting on them and exercising, generally, the functions of normal financial and administrative control that apply to all activities of the United Nations.

(paragraph 327).

14. In regard to country projects for which the United Nations is at present or may in future become executing or participating agency:

- (a) The commissions should be invited by UNDP to participate actively in all stages of country programming in respect of projects of a multi-disciplinary nature or which have a clear and direct relationship to regional (inter-country) or sub-regional activities in the same field, travel expenses that might be incurred by the regional staff in this connexion being at UNDP cost (paragraphs 333-343);

- (b) Decentralization of country projects may be considered on a selective basis, a commission being designated executing or participating agency if the Government concerned agrees to such decentralization, and if the project fulfils at least two of the following criteria:
 - (i) the project is of a multi-disciplinary nature and relates to an area in which a particular commission has already acknowledged expertise and experience;
 - (ii) the commission has actively helped the country in question to formulate the project request;
 - (iii) the commission has already had experience of executing a regional (inter-country) or sub-regional programme or project of the same type or in the same field; or the programme or project has a clear and direct relationship to such other activities.

(paragraph 344).

V. RELATIONSHIP BETWEEN THE REGIONAL ECONOMIC COMMISSIONS
AND OTHER UNITED NATIONS BODIES

(A) The regional economic commissions and UNDP

15. The relationship between the regional economic commissions and UNDP should be strengthened at both UNDP headquarters and regional levels:

- (a) The executive secretaries should be enabled through appropriate institutional arrangements to be consulted on matters of overall UNDP policy and programming (paragraph 314);
- (b) The executive secretaries should meet at least once a year with the directors of the regional bureaux for the purpose of comprehensive consultations (paragraph 314);
- (c) Appropriate liaison arrangements at the regional level should be worked out between UNDP and the commissions with a view to improving rapport and communication between them. Such arrangements could be similar to those agreed between UNDP and ECA; or could involve:

- the posting of a senior UNDP official as liaison officer in each commission; or
 - the designation of the UNDP resident representatives in the countries where commission headquarters are located as UNDP liaison officers to the commissions concerned (paragraphs 315, 316).
- (d) As agreed between UNDP and ECA, the other commissions should be able to have recourse to the good offices and services of the UNDP resident representatives in those countries where no sub-regional offices of the commissions in question are located (paragraph 317).

(B) The regional economic commissions, UNCTAD and UNIDO

16. Within the framework of the general principles regarding the co-ordination of work programmes in recommendation 1 above, the various co-ordination practices already established by UNCTAD and the regional economic commissions and by the latter and UNIDO (i.e. high-level consultations between senior officials of these bodies; joint reviews of work programmes and of their individual components, etc.) should be perfected and institutionalized as appropriate. Specifically, the work programme review meetings now held by UNIDO with the commissions should be instituted also in UNCTAD. Such meetings should take place in good time (paragraphs 373, 374, 381, 384, 394, 395, 399).

17. The practice of holding twice-yearly meetings between the Secretary-General of UNCTAD and the executive secretaries should be institutionalized and introduced also in UNIDO. Such meetings could be arranged without extra cost at the time of the sessions of the Council or on such other occasions when the Secretary-General of UNCTAD and the executive secretaries are present (paragraphs 373, 374).

18. Existing methods of practical collaboration at present adopted by UNCTAD, UNIDO and the commissions (i.e. ad hoc consultations on matters of mutual interest; exchanges of comments on studies relating to such matters; joint missions; joint studies; the joint convening of meetings; mutual assistance in the preparation of the documentation for such activities, etc.) should be further intensified (paragraphs 370-374, 381, 384, 396, 398).

19. On an agreed basis, UNCTAD and UNIDO should decentralize to the commissions suitable regional (inter-country) or sub-regional programmes and projects (or components thereof) for which they have been designated executing or participating agency (paragraphs 380, 400).

20. The device of outposting to the commissions regional advisors funded, respectively, by UNCTAD and UNIDO, and of outposting UNCTAD and UNIDO staff to the commissions for finite periods should be used more extensively (paragraphs 377, 378, 382, 401).

21. UNIDO's practice of establishing joint industrial divisions with the commissions (as has been done in ECA) should be considered for extension to other commissions, starting with ECAFE. For its part, UNCTAD should consider the question of establishing with the commissions joint units along similar lines, taking into account the existence of regional Trade Promotion centres (paragraphs 377, 378, 383, 397, 398, 401).

VI. ADMINISTRATION AND MANAGEMENT

22. Subject to a regional economic commission's acceptance of the decentralization of an activity (or component thereof) and to the observance of agreed criteria, standards, rules and guidelines, such decentralization should include all responsibilities related to its substantive and administrative backstopping. Only the recruitment of internationally recruited staff should continue to be the responsibility of Headquarters, acting in close consultation with the commissions. The procurement of office supplies and equipment should likewise be delegated to the commissions. Subject to the usual contracting procedures, that of project supplies and equipment should be delegated to the commissions as far as practicable. The residual authority of Headquarters in all other respects should be confined to broad co-ordination, control over the observance of said agreed criteria, standards, rules and guidelines and to the Secretary-General's statutory responsibilities for overall financial and administrative control over all United Nations' activities, generally (paragraphs 277, 289, 292, 295).

23. Accordingly, the decentralization of any activity (or component thereof) to a commission should be accompanied by the allotment to it of resources, including overhead funds, commensurate with its responsibilities (paragraphs 113, 295, 355, 356, 422, 423).

24. The Secretary-General should take the necessary steps to relocate, through secondment or rotation, the professional and support services staff that may be required in a regional office (paragraphs 218, 240, 295, 416-419).

25. In the event that a vacancy in a commission cannot be filled by a fully qualified person otherwise than by temporarily setting aside certain recruitment criteria, the executive secretary should be authorized to recommend the recruitment of such a person nevertheless, on a short-term contract not exceeding two years. This dispensation should apply only to professional posts requiring technical expertise (paragraph 410).

VII. ORGANIZATIONAL

26. In order that they may better discharge their enhanced responsibilities, the regional economic commissions should give early consideration to the reorganization of their internal structures, with particular emphasis on the strengthening of the units concerned with programming and the management of technical co-operation activities and on improving co-ordination between their various offices, generally (paragraphs 241, 242).

27. The responsibilities of the Regional Economic Commissions Section in the Department of Economic and Social Affairs at Headquarters should be redefined and enhanced. The Section should be strengthened and vested with the necessary authority to this end (paragraph 235).

28. The Secretary-General is invited to study as a matter of urgency the question of the up-grading of the post of executive secretary of the commissions and to report thereon to the General Assembly (paragraphs 243, 244).

VIII. GENERAL

29. An in-depth discussion and consultation of an internal seminar type, involving Headquarters' offices and the regional economic commissions, should be held some time in 1976 to work out the implementation of the accepted recommendations as above and to set the targets, modalities and stages of further decentralization to the commissions (paragraph 346).

30. A report on the results of the above exercise and on all other action taken to carry out effective decentralization in accordance with the Inspectors' accepted recommendations should be submitted to the Council and the General Assembly (paragraphs 346, 452).

