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SUPPORT

## PROGRAMME IMPLEMENTATION

### Annual report of the Administrator for 1983

#### Reports of the Joint Inspection Unit

#### Comments of the Secretary-General

#### Summary

In January 1983, the Joint Inspection Unit (JIU) issued a report (JIU/REP/83/4) entitled "Field Offices of the United Nations Development Programme (UNDP)." The principal conclusions of the report are, first, that UNDP field offices need to redress the balance of their workload more towards operational activities and less towards administrative and representational activities, and, second, that they should be strengthened to meet the increasing demands placed on them by UNDP and particularly by other organizations of the United Nations system.

Taking into account the comments on the report which have been received from concerned organizations of the United Nations system, the Secretary-General has reviewed the report and its recommendations. In particular, he underlines the need, when considering the possibility of organizations other than UNDP contributing to the field offices, to preserve existing authority on staffing, responsibilities and functions in these offices and to maintain clearly the lines of command and objectivity. He also points out that a policy recommendation regarding general contributions to the cost of UNDP field offices cannot be considered without a full examination of all the field offices of all the organizations of the system, including the related costs. Accordingly, any further review of the proposals of JIU in this respect should await such an examination.

## Comments of the Secretary-General

1. The Secretary-General has reviewed the report of the Joint Inspection Unit (JIU) entitled "Field Offices of the United Nations Development Programme (UNDP)" (JIU/REP/83/4) and invited comments on the report from the organizations of the United Nations system. Observations received from these organizations have been taken into account in the preparation of the Secretary-General's comments which are given below and follow the structure of the JIU report itself.

### Policy framework

2. The JIU report takes as the main policy framework for the UNDP field offices the Consensus adopted by the Governing Council in 1970 /General Assembly resolution 2688 (XXV)/ and General Assembly resolution 32/197 on the restructuring of the economic and social sectors of the United Nations system. The latter, in particular, emphasizes the need for coherence, efficiency and effectiveness as well as a more cohesive and integrated thrust of the United Nations system's operations at the country level. The Inspectors examine the extent to which these goals are achieved through the UNDP field offices which they view as the principal "presence" of the United Nations system in the majority of developing countries.

3. The tripartite nature of the United Nations system's technical assistance activities is stressed throughout the report: at the outset, the Inspectors state that the extent to which UNDP and its field offices can discharge their mandate depends largely on the co-operation of host and donor Governments as well as the executing agencies in applying at the operational level the restructuring measures listed in section V of the annex to resolution 32/197.

4. The Secretary-General finds the policy framework described in the JIU report to be appropriate and fully endorses the report's emphasis on the effective functioning of the tripartite relationship as the main factor enabling UNDP field offices to play their crucial role in the realization of the policies laid down.

### Roles and responsibilities

5. This section of the JIU report describes the roles and responsibilities of each of the parties which constitute the tripartite system: Governments, UNDP and the executing agencies.

6. The Secretary-General would like to underscore two of the features described in the sub-section dealing with Governments. First, it is important to recognize the wide variation in the extent to which host Governments rely on UNDP's field office network for the co-ordination and implementation of development assistance programmes. As the report indicates, this reliance can range from minimal, in some relatively advanced countries, to heavy, in certain least developed countries. In this context, the growing tendency

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towards Government execution places an increasing load on field offices which, at least in the initial stages following the introduction of this modality, are called upon to assist the Government with related policies and procedures. The degree of reliance on the individual field office has obvious direct implications for the type and numbers of staffing and logistical support which each office will require. In short, there can be no 'standard field office'; each office will need to reflect the kind and volume of demands made on it.

7. Second, the report states in paragraph 14 that "the multiplicity of funding channels and special purpose trust funds supported by donor Governments tend to conflict with Member States' recognition of UNDP as the central funding channel for multilateral technical co-operation and to compound host Governments' and UNDP's co-ordination difficulties. The integration of these funds under the frame of reference of the UNDP country programming process as well as the achievement of maximum uniformity of administrative procedures, budget and programme cycles as recommended by the restructuring resolution would improve the coherence and cost-effectiveness of the system's development co-operation activities." The major responsibility for improvements in this regard must remain with Member States: pursuit of consistent policies in each of the governing bodies of the organizations comprising the United Nations system would improve the functioning of the system as a whole.

8. There is no doubt considerable scope for improvement in these respects by executive heads, although their room for manoeuvre is limited and indeed sometimes hampered by inconsistent measures taken at the political level. Nevertheless, the Secretary-General accepts that the United Nations system should pursue, as pointed out in the report, the desire of the General Assembly for improved coherence of action and of greater harmonization of administrative procedures; budget and programme cycles. ACC will report on specific action taken in this respect in its annual overview report for 1983-1984, pursuant to General Assembly resolution 37/226.

9. In considering the role and responsibility of UNDP, the Inspectors refer to the declining role of UNDP as the central funding organization for the United Nations system's technical co-operation effort caused by the decline in UNDP's share of multilateral technical co-operation funding from some 80 per cent to about 50 per cent during the decade 1972-1982. This relative decline in UNDP's resources - and indeed, absolute decline in real terms in the latter years of the decade - has been a matter of concern, prompting the establishment by the Governing Council of the Intersessional Committee of the Whole (ICW) to study the situation and propose solutions. UNDP's resource situation was also the subject of discussion in the thirty-seventh session of the General Assembly, culminating in resolution 37/227. Subsequently, the Governing Council, at its thirtieth session held in June 1983, decided upon certain new measures, based on the recommendations of ICW, which are designed to enhance UNDP's resource position. Shortly thereafter, at the second regular session in 1983 of the Economic and Social Council, held in Geneva, the central funding role of UNDP within the United Nations system was strongly reaffirmed.

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10. The Secretary-General would note that the ability of UNDP and its field offices to ensure cohesion and effectiveness in operational activities at the country level is directly affected by the absolute and relative volume of UNDP resources as the Inspectors surmise in paragraph 17 of their report.<sup>1/</sup> Accordingly, it is of the utmost importance that UNDP be provided with sufficient resources to enable it to perform its role and that consistent policies be pursued in the different governing bodies. The Secretary-General also notes that the use of the UNDP country programming process as a frame of reference for the system's operational activities and the full implementation of the function of resident co-ordinator could assist in enhancing co-ordination.

11. As regards the executing agencies, the Secretary-General entirely endorses the view expressed in the report that the organizations of the United Nations systems have a fundamental and unique role to play in the achievement of a more equitable world order, not only because of the resource and technical capabilities of the system but also because of the universal membership of these organizations and the framework of internationally agreed policies and global strategies which they offer for resolving development problems.

#### Functions of field offices<sup>2/</sup>

12. The report places considerable emphasis in this section and elsewhere on the heavy and varied administrative workload imposed on field offices over the decade and the negative effect which this has had on the capacity of the field offices to attend properly to substantive matters. The Secretary-General agrees that the totality of the workload in field offices - both administrative and substantive - is unduly heavy and that improvements can be achieved in both areas. At the same time, the report understates the very considerable substantive work that is performed by the field offices: project formulation, monitoring, terminal assessment and follow-up and country programme reviews which continue to form the backbone of field offices' workload in the majority of cases. While reporting from field offices on these substantive as well as on administrative issues is clearly a basic tool for the sound management and accountability of resources, especially in a decentralized system, the Secretary-General shares the view of the Inspectors that the number and frequency of reports required need to be reviewed.

13. The report makes reference to the potential role that the field offices could play, when the host Government so requests, in facilitating effective utilization of both multilateral and bilateral resources. Following the thirtieth session of the Governing Council, the way is now clear for this potential to be realized. Decision 83/5, section IV, authorizes the Administrator to provide, with the agreement of the recipient country concerned and using agency expertise whenever appropriate, certain types of management and other support services on behalf of Governments. In so doing, the Administrator is requested to ensure that such activities remain marginal to Government contributions, to core resources and to the work of implementing

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the UNDP programme. In this connection, UNDP is also exploring with the World Bank possibilities for the greater utilization by that organization of UNDP's field office network.

Comments on specific recommendations

Recommendation 1: Strengthening of field offices

14. Proposed measures to be taken by UNDP. In paragraph 52, the Inspectors commend the Administrator's efforts to hold down staff costs and express the belief that efforts in that direction need not necessarily be detrimental to the adequate staffing and capacity of the field office network to scrutinize programme quality. The Inspectors also cite the Administrator's description of the status of decentralization from UNDP headquarters to the field contained in document DP/1982/52 to the Governing Council that, "while the decentralization process will be pursued whenever a possibility is identified, the scope for further decentralization is now limited since the Administrator's accountability must be fully respected". The Inspectors conclude, none the less, that redeployment of some headquarters staff to the field, particularly to the least developed countries, is both feasible and necessary, even though UNDP maintains that its current resource difficulties do not allow for an expansion of field office staffing strength.

15. The Administrator is unable to agree with the above conclusion and in this respect would cite the paragraph immediately following the text quoted above from DP/1982/52.

"In order to ensure the effective decentralization of authority to the country level it is important that headquarters should contribute to the effective performance of country offices through the provision of good and timely services and advice on programming, monitoring and administrative matters. Thus, to provide these logistical and advisory services, a minimum number of headquarters staff is essential, whose workload is largely independent of the level of resources available to the organization."

The Administrator has advised that this conclusion was reached only after two extensive and comprehensive reviews were undertaken over a period of two years of UNDP's staffing requirements and the allocation of responsibilities and posts between headquarters and field. Since the Administrator sees no possibility of further staff reduction - whether over all or in specific units - if the present functions are to be maintained, he fears that redeployment to the field might well weaken headquarters' capabilities without strengthening perceptibly overall field office capability.

16. Apart from redeployment of staff from headquarters, the report proposes other measures to strengthen UNDP field offices without increasing costs for UNDP. These concern the other parties to the tripartite system, i.e. Governments and organizations of the United Nations system, and are dealt with below.

17. Proposed measures to be taken by Governments. The report refers to Governing Council decision 82/18 which authorizes the Administrator to negotiate with host Governments for the fulfilment of obligations to provide specified services and facilities in kind to assist in supporting field

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offices. The Administrator is actively following up on that decision and is also endeavouring to convince host Governments to increase their voluntary contributions towards local office costs. The report further proposes that host Governments make available to their UNDP field offices a number of persons to serve as programme officers. These persons would be seconded to UNDP for a specific period, the Government contributing their normal Government salary and allowances to UNDP to which such seconded staff would be fully responsible. The Secretary-General agrees that this proposal merits further exploration but on the basis that such Government personnel would be seconded as locally recruited staff, and, where appropriate, as national professional officers subject to the salary scales and staff regulations and rules applicable.

18. Proposed measures to be taken by the United Nations and its organizations Finally, the report puts forward options involving contributions by other organizations of the United Nations system towards the cost of UNDP's field offices: the provision of a "core" budget, financed from the United Nations regular budget, for certain functions in the field, especially in cases where the resident co-ordinator position has clearly increased field office workload; and contributions from other organizations of the system from their regular budgets to finance certain aspects of their work carried out in UNDP's field offices. The Secretary-General would note, however, that the implications of these proposals directly affect the responsibilities of the Administrator and the position of resident representatives in their capacity as resident co-ordinators.

19. The Inspectors in the introduction to their report explain the exclusion of the resident co-ordinators' responsibilities from the coverage of the report on the grounds that the resident co-ordinator arrangements have not been in existence over a sufficient period of time to allow for objective analysis and firm conclusions. This is true, yet in the view of the Secretary-General, an analysis of the subject, to be comprehensive, should treat in full the complex relationships among UNDP, the other organizations of the United Nations system and the Director-General for Development and International Economic Co-operation which find their focus at the country level in an official who bears two titles, that of resident co-ordinator and that of resident representative. The Administrator is in favour of proposals for contributions towards UNDP field office costs from other organizations for specific services rendered. Nevertheless, no modality should be introduced which would lead to divided accountability and administration of these offices and their serving officials. Any arrangements to provide for such contributions should preserve existing authority on staffing, responsibilities and functions in these offices and maintain clearly the lines of command and objectivity.

20. The Secretary-General would note that a policy recommendation regarding general contributions to the cost of UNDP field offices - other than charges for specific services rendered - cannot be considered without a full examination of all the field offices of all the organizations of the system including the related costs. Accordingly, any further review of the proposals of JIU in this respect should await such an examination.

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21. The Secretary-General also wishes to note that the question of UNDP field office costs was fully discussed by the Governing Council of UNDP in June 1982. The Council, in its decision 82/33, having considered the Administrator's proposals and the comments of the Advisory Committee on Administrative and Budgetary Questions thereon, affirmed the role of the UNDP field office structure as the primary instrument for providing services and co-ordination to the United Nations system's technical co-operation activities in the field; recognized that the provision of these services and of this co-ordination puts a significant workload on the field offices and that this, in many cases, has implications for UNDP administrative costs; and, noting that the 1982-1983 biennial budget includes resources to perform these services at present levels, authorized the Administrator to continue to provide, at the present levels, those services which are in accordance with the aims and responsibilities of UNDP and are currently provided without charge to the agencies of the United Nations system. The Council also authorized the Administrator, in the circumstances where agencies require field offices to perform additional tasks or to assume significantly increased workloads that require identifiable additional resources, to make adequate arrangements with the agencies to meet such needs. This would involve making charges on a case-by-case basis for specific services rendered additional to those now performed.

#### Recommendation 2: Policy implementation

22. The Secretary-General agrees with the proposal that specific guidelines should be developed for the implementation of and compliance with operational policy concepts. As the JIU report itself points out, the co-operation of all organizations and agencies would be needed to achieve this: the matter therefore should be taken up by ACC.

#### Recommendation 3: Substantive programme functions

23. The rationalization of UNDP field office administrative functions is kept under constant review, particularly by the Bureau of Finance and Administration of UNDP, which pursues this goal through the simplification of procedures and guidelines as well as by audit review visits. While fully agreeing that priority for rationalization of such functions should be maintained, the Secretary-General would not wish this endorsement to be viewed as an adverse reflection on the substantive work that is performed by the field offices and which continues to form the backbone of field offices workload in the majority of cases.

#### Recommendation 4: Personnel questions

24. The Secretary-General is in full agreement with the recommendations on personnel questions contained in paragraphs (a), (c) and (d) on page 26 of the report. These recommendations are already an integral part of UNDP's personnel policies and practices and continue to be vigorously pursued with highly satisfactory results.

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25. The Administrator has reservations regarding recommendation (b) on the utilization of the competitive examinations organized by the United Nations. He considers that the relatively small numbers of staff to be recruited externally, the voluntary nature of the Programme's funding and the availability of excellent recruitment sources such as extensive JPO and National Officer schemes as well as other United Nations system organizations, make this recommendation inappropriate and not in the best interests of UNDP.

#### Conclusion

26. The Secretary-General welcomes the report and accepts its broad thrust, conclusions and recommendations, subject to the reservations expressed above. The efficiency and effectiveness of UNDP's field offices ultimately depends on the tripartite relationships between Governments, executing agencies and UNDP. The extent to which UNDP's field offices can be used to serve increasingly the United Nations system will also depend on this tripartite relationship.

#### Notes

1/This paragraph contains a technical error. It states that "The present resource crisis has impelled a reduction of 45 per cent in illustrative IPFs approved by the Council". In fact, the illustrative IPFs remain intact but planned expenditures for the present have been reduced to 55 per cent of the illustrative IPFs. If increased resources are provided at the next two pledging conferences, the percentage would be increased.

2/ Table I, column II, item A 13: "technical assessment reports" should read "terminal assessment reports."

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