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POLICY

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

REPORT OF THE EXECUTIVE DIRECTOR ON THE INCLUSION OF UNFPA DEPUTY REPRESENTATIVES AND OTHER FIELD AND HEADQUARTERS POSTS INTO THE REGULAR MANNING TABLE AND ON THE BASIC MANPOWER REQUIREMENTS OF UNFPA

BIENNIAL BUDGET ESTIMATES FOR THE ADMINISTRATIVE AND PROGRAMME SUPPORT SERVICES FOR THE BIENNIUM 1986-1987

Report of the Advisory Committee on Administrative and Budgetary Questions

1. In accordance with the provisions of rule 111.6 of the Financial Regulations and Rules of the United Nations Fund for Population Activities (UNFPA), the Advisory Committee on Administrative and Budgetary Questions has considered three reports by the Executive Director of UNFPA. The Advisory Committee met with the representatives of the Executive Director during its consideration of these reports.
2. The first report is on the inclusion of UNFPA Deputy Representatives and other field and headquarters posts into the regular Manning Table and on the basic manpower requirements of UNFPA (DP/1985/38 and Corr.1 and 2). This report has been submitted pursuant to Decision 84/21 VI, adopted by the Governing Council at its thirty-first session, and referred to in paragraph 3 of DP/1985/38. The second report submits biennial budget estimates for the administrative and programme support services for the biennium 1986-1987 (DP/1985/39 and Corr.1).
3. The third report deals with the results of a job classification exercise and the associated financial implications for the 1986-1987 UNFPA biennial budget for administrative and programme support services (DP/1985/39/Add.1). This report has been submitted pursuant to Decision 79/44 adopted by the Governing Council at its twenty-sixth session, paragraph 12 (b) of which requests the UNDP Administrator to submit a plan, "based on the findings of the [desk-to-desk] survey and on

consultation with the International Civil Service Commission, to initiate job analysis and classification in UNDP Headquarters". The Advisory Committee notes that the job classification exercise has been extended to include the General Service category at headquarters and internationally recruited Professional posts in the field. According to the Executive Director of UNFPA, "The scheme of job classification has also been extended to include UNFPA Professional and General Service posts" (DP/1985/39/Add.1, para. 1).

PART A: Inclusion of UNFPA Deputy Representatives and other field and headquarters posts into the regular manning table and the basic manpower requirements of UNFPA (DP/1985/38 and Corr. 1 and 2)

4. In accordance with the request contained in Governing Council Decision 84/21 VI, the Executive Director identifies in his report the totality of staffing resources financed from the administrative and programme support services (APSS) budget and from project funds available to UNFPA. The consolidated table A below indicates the total number of posts involved by source of funding, location and grade.

5. In part I of the report, the Executive Director discusses the present position and future prospects of UNFPA. Part II of the report deals with project-funded field posts. In paragraphs 25 to 34 the Executive Director restates the arguments advanced in his earlier report (DP/1984/38) - in particular, the need for rotation of staff between the field and headquarters, equitable treatment of staff and the provision of career development opportunities - and repeats his request for including project-funded Deputy Representative and Senior Adviser on Population (DRSAP) posts in the regular staffing table under the APSS budget. At the same time, in paragraph 24, he extends his request to include all field staff. As stated in paragraphs 21 to 23 of the Executive Director's report and indicated in table A above, this involves a total of 338 posts. Of this total, 232 posts are for 33 DRSAPS and 199 field support staff, located in 33 countries and territories but providing coverage for 91 countries and territories. The remaining 106 posts are for programme support units under the immediate direction of the UNDP Resident Representative in 38 other countries and territories where no DRSAPS exist. Coverage of 44 countries and territories is provided by these programme support units.

6. Proposed procedures for implementing the integration of the project-funded posts into the regular staffing table (i.e., conversion of contractual status of staff in such posts from the 200 Series to the 100 Series of Staff rules and their subsequent eligibility to qualify for permanent contracts), are described in paragraphs 39 to 43 of the Executive Director's report. In paragraph 44, he states that the integration of the 338 project-funded field posts in the regular staffing table of the APSS budget would not involve net additional costs to the Fund since it only requires shifting the cost of financing these posts from project funding, estimated at \$19.1 million in 1986-1987, to the APSS budget.

TABLE A

TOTAL UNFPA STAFFING ESTABLISHMENT IN 1984-1985 FINANCED FROM
THE ADMINISTRATIVE AND PROGRAMME SUPPORT SERVICES (APSS)
BUDGET AND FROM PROJECT FUNDS

	<u>FIELD POSTS FINANCED FROM PROJECT FUNDS</u>					Total No. of posts from all sources of funds
	<u>Headquarters</u>		DRSAP posts	Field support staff for DRSAPS	Other Field Support <u>c/</u>	
	APSS Budget posts	Project Funded posts				
USG	1	-	-	-	-	1
ASG	2	-	-	-	-	2
D-2/L7	2	1	1	-	-	4
D-1/L6	10	2 <u>a/</u>	3	-	-	15
P-5/L5	14	7 <u>a/</u>	18	-	1	40
P-4/L4	17	6	11	-	4	38
P-3/L3	19	3 <u>a/</u>	-	4	1	27
P-2-1/L2-1	18	1	-	5	3	27
Sub-total:	83	20 <u>a/</u>	33	9 <u>b/</u>	9 <u>b/</u>	154
General Service (principal level)	25	2	-	-	-	27
General Service (other levels)	58	53 <u>a/</u>	-	-	-	111
Nat'l Programme Officer	-	-	-	20	17	37
Local Level	-	-	-	170	80	250
Sub-total:	83	55 <u>a/</u>	-	190	97	425
Total:	166	75 <u>a/</u>	33	199	106	579

a/ Includes three Professional posts (one L6, one L5, one L3) and two General Service posts for the Geneva Liaison Office.

b/ These 18 posts are for internationally recruited Programme Officers.

c/ These posts are in programme support units in those countries where no DRSAPS exist.

7. Part III of the report deals with basic manpower requirements of UNFPA in the field and at headquarters during the period 1986-1989. In this connection, the Executive Director states, in paragraph 46, that "It is now necessary to examine the specific manpower needs of the organization for the next few years and the staffing patterns it will be necessary to establish if the deficiencies of present staffing provisions are to be rectified, and the objectives set out in the World Population Plan of Action and the recommendations of the International Conference on Population are to be successfully pursued."

8. For reasons stated in paragraphs 50 to 58, the Executive Director proposes that as a first stage in meeting UNFPA's basic manpower requirements in the field, the total number of DRSAP offices should be restored to the level of 42, originally planned for 1981 but not implemented. Taking into account the 33 existing DRSAP offices (see para. 5 above), nine additional DRSAP offices would be established: five in 1986-1987 and four in 1988-1989. The five new DRSAP offices proposed in 1986-1987 would be staffed by a total of five DRSAP posts and 20 local level posts. Twelve of the local level posts would be obtained from existing field posts. Accordingly, on a net basis, five new DRSAP posts (at the P-5 level) and eight local level posts (3 at the National Officer level) are requested. The 1986-1987 cost of the five new DRSAP offices is estimated at \$800,000 on a net basis and would be charged to the APSS budget.

9. In paragraph 59 the Executive Director states that "... the regular manning table of UNFPA at headquarters [funded by the APSS budget] has remained unchanged at 83 Professional and 83 General Service posts since 1981." At the same time, for the reasons advanced in paragraph 60, he states that in the interim he has had the regular budget establishment "... reinforced by auxiliary staff, provisionally financed on a project basis." In his opinion, "The time has now come ... when this situation should be regularized through the transfer of key posts which continue to be necessary to the regular administrative budget on a phased basis over the next few years."

10. As can be seen from table A above, there are a total of 75 such headquarters posts financed from project funds at the present time, of which 20 posts are at the Professional and higher levels and 55 posts are at the General Service level (including 2 at the principal level). With the exception of three Professional level posts (1 L6, 1 L5, 1 L3) and two General Service posts located in Geneva, all the other posts are located in New York.

11. The Executive Director proposes that the following 41 existing project-funded headquarters posts (13 Professional and higher level posts and 28 General Service posts) be integrated into the regular manning table in 1986-1987:

Reference
in document
DP/1985/38

Programme Division

One P-4 Programme Officer post (Africa Branch)	Para. 65
Two General Service posts (Africa Branch)	"
One P-4 Programme Officer post (Asia and Pacific Branch)	"
Two General Service posts (Asia and Pacific Branch)	"
One General Service post (Middle East and Mediterranean Branch)	"

Technical and Planning Division

One P-5 Senior Management Specialist post	Para. 69
One P-5 Senior Family Planning Specialist post	"
Four General Service posts	Paras. 69, 70

Policy and Evaluation Division

One General Service post (Policy Branch)	Para. 72
One P-4 Evaluation Officer post (Evaluation Branch)	Para. 73
One General Service post (Evaluation Branch)	"

Information and External Relations Division

One P-5 Senior Information Policy Officer post	Para. 78
One P-5 External Relations Officer post	"
One P-3 Information Officer post	"
Four General Service posts	"

Administration and Finance Division

One P-4 Budget Officer post (Finance Branch)	Para. 83
Five General Service posts (Finance Branch)	"
Two General Service posts (Personnel Branch)	Para. 86
One P-5 Procurement Officer (Procurement Unit)	Para. 96
One P-3 Procurement Officer (Procurement Unit)	"
Four General Service posts (Procurement Unit)	"

Geneva Liaison Office

One D-1 post	Para. 93
One P-5 post	"
Two General Service posts	"

12. In table 4 the Executive Director indicates that the integration of the 41 project-funded headquarters posts and their related costs, estimated at \$4.5 million in 1986-1987, in the regular staffing table and APSS budget would not involve net additional costs to the Fund since it only requires shifting the cost of financing these posts from project funding to the APSS budget.

13. At the same time, the Executive Director requests the establishment of three new headquarters posts under the APSS budget in 1986-1987, as follows:

Reference
in document
DP/1985/38

Programme Division

One P-4 Programme Officer post (Middle East and
Mediterranean Branch) Para. 65

Technical and Planning Division

One P-4 Technical Officer post Para. 70

Policy and Evaluation Division

One P-4 Policy Officer post (Policy Branch) Para. 72

14. The 1986-1987 cost of the three new headquarters posts is estimated at \$500,000, and would be charged to the APSS budget.

15. Should the Governing Council approve the Executive Director's 1986-1987 staffing proposals in their entirety, the regular staffing establishment charged to the APSS budget will increase by 395 posts, from 166 to 561 posts (351 posts or 62.6 per cent in the field and 210 posts or 37.4 per cent at headquarters). Of the 395 additional posts, 379 are existing project-funded posts proposed for transfer to the APSS regular staffing table (see paras. 5 and 11 above) and 16 are new posts (see paras. 8 and 13 above).

16. For the biennium 1988-1989, the Executive Director provides preliminary indication of his intention to further enlarge his regular staffing establishment under the APSS budget by 24 posts, from 561 to 585 posts, as follows:

(a) The proposed transfer of 12 (3 P-4 and 9 General Service posts) of the remaining 34 headquarters project-funded posts to the regular staffing table;

(b) The proposed establishment of three new headquarters posts (1 P-5, 2 P-4); and

(c) The proposed establishment of nine new field posts (4 P-5, 1 National Officer and 4 local level) for four new DRSAP offices.

17. As regards the remaining 22 existing project-funded headquarters posts (4 Professional and 18 General Service) which have not been proposed for integration into the APSS budget in 1986-1987 or 1988-1989, it appears from information provided by the Executive Director in paragraph 98 of his report that it is his intention not to include the four Professional and 18 General Service posts into the APSS budget during the two biennia 1986-1989.

Observations of the Advisory Committee

18. The Advisory Committee notes that this is the first time that full disclosure of the totality of staffing resources available to UNFPA has been presented in one document. The regular headquarters staffing establishment of UNFPA has always been reported to and approved by the Governing Council in the context of the Executive Director's APSS budget proposals. Data on DRSAP posts and supporting staff which are project-funded has also been included in the APSS budget document for information. Until now, however, information concerning all other project-funded headquarters and field posts identified in table A above has not been specifically drawn to the attention of either the Advisory Committee or the Governing Council.

19. The Advisory Committee recalls previous statements by the Executive Director on the Fund's APSS budget estimates. For example, in 1982 he indicated that "... in view of the resource situation of the Fund, the greatest possible degree of economy should be applied ... No new posts have been requested." (DP/531, para. 9). This position is repeated in reports on the Fund's budget estimates for 1983 and for 1984-1985 (DP/1982/25, para. 6 and DP/1983/23/Corrs.1 and 2, paras, 5 and 6, respectively). Yet during this period, posts were created under project funding in the field and at headquarters whose functions are not dissimilar to posts under the APSS budget. It is the opinion of the Advisory Committee that the creation during this period of posts under project funding, and in particular, posts for headquarters, has not been consistent with the stated position as quoted above. Furthermore, the creation of these posts under project funding precluded both the Advisory Committee and the Governing Council from having prior opportunity to examine whether the workload of UNFPA warranted their establishment in the numbers and at grade levels now being reported.

20. In support of the request for integration of project-funded posts into the APSS budget, the statement is made in paragraph 34 that "... pledges of contributions from Governments to UNFPA have increased each year, with one exception, since the organization's inception. While inflation and sharp currency fluctuations have tended to lessen the value of these increases in a number of years, there is no reason to anticipate that support for UNFPA's work will not continue to grow in the future." In this connection, representatives of the Executive Director provided, at the Committee's request, table B below which compares total income and expenditures of the Fund for the period 1980 to 1985.

21. As can be seen from table B below, since 1982 the Fund's annual income (item A) has increased by 2.9 per cent in 1983; 2.9 per cent in 1984; and is projected to increase by 5.3 per cent in 1985. The corresponding total administrative expenditures (items B + C) for the period, however, increased by 6.3 per cent in 1983; 11.8 per cent in 1984 and is projected to increase by 9.2 per cent in 1985. Meantime, programme expenditures (item D) show little or no change. In fact, estimated programme expenditure in 1985 is lower than actual programme expenditure in 1980. In this connection, the Advisory Committee recalls paragraph 2 of Governing Council Decision 83/17 III which requested the Executive Director "... during the biennium 1984-1985 to continue to keep the cost of administrative and programme support services to a minimum, with the intention of holding down the ratio between administrative costs and total costs as much as

TABLE B
 UNFPA INCOME AND EXPENDITURES, 1980 TO 1985
 (in millions of US dollars)

Year	1980	1981	1982	1983	1984	1985
	\$	\$	\$	\$	\$	\$
A. Total Income	128.7	125.5	130.9	134.7	138.6	146.0
B. Admin. Expenditures (Headquarters)						
1. APSS budget	6.8	9.5	10.7	11.1	11.8	12.7
2. Headquarters project posts	1.5	2.0	2.6	2.8	3.5	3.5
C. DRSAP offices and programme support units (project funded)	<u>5.6</u>	<u>5.8</u>	<u>5.9</u>	<u>6.5</u>	<u>7.5</u>	<u>8.7</u>
Total administrative expenditures (B + C)	13.9	17.3	19.2	20.4	22.8	24.9
D. Net programme expenditures (including agency support costs)	133.6	119.1	104.5	102.2	114.4	117.1
Total Expenditures (B+C+D)	147.5	136.4	123.7	122.6	137.2	142.0

possible, particularly in the light of the resource situation and the projected income for the period."

22. At the request of the Advisory Committee, representatives of the Executive Director also provided table C below which indicates the Fund's income and expenditure estimates for the biennium 1986-1987, if the Governing Council approves all the Executive Director's proposals contained in his reports DP/1985/38 and Corr.1 and 2 and DP/1985/39 and Corr.1.

TABLE C

ESTIMATED UNFPA INCOME AND EXPENDITURES, 1986-1987

	<u>in millions of US dollars</u>
A. Total 1986-1987 Income	318.0
B. Administrative expenditures (Hqrs)	
1. Integrated APSS budget	34.4
2. Hqrs project posts not integrated into APSS budget	2.9
C. DRSAP offices and programme support units (integrated into APSS budget)	<u>20.4</u>
Total administrative expenditures in 1986-1987 (B+C)	57.7
D. Net programme expenditures (including programme support costs)	<u>252.3</u>
Total expenditures in 1986-1987 (B+C+D)	<u>310.0</u>

23. As can be seen from table C above, total administrative expenditures in 1986-1987 would then constitute 18.1 per cent of the Fund's income. Of the total estimate of \$57.7 million for administrative expenditures, \$37.3 million or 64.6 per cent would be for headquarters and \$20.4 million or 35.4 per cent for the field. The proposed distribution of posts is 37.4 per cent for headquarters as against 62.6 per cent for the field (see para. 15 above). In this connection, the Advisory Committee reiterates its earlier observation that "the administrative and programme support services of UNFPA provide the essential administrative backing for the Fund's projects in the field. While there is no fixed numerical relationship between the two, growth in the number and size of field projects leads to increased requirements in terms of administrative and programme support services. At the same time, care must be taken to ensure that growth in the latter does not outstrip growth in field projects, for otherwise the proportion of resources available for the execution of projects will decline." (DP/413, para. 12).

24. Moreover, in view of the income trend shown in table B above, the Advisory Committee is also concerned that the expectation that "... the income of UNFPA will continue to grow by an average of 6 per cent per year for the 1986-1989 plan period" (DP/1985/39, para. 12) may be overly optimistic. The Advisory Committee recalls in this regard paragraph 11 of its report DP/1984/40, in which the Committee stated that while it "... is fully aware of the importance of equitable treatment of all staff and the provision of career development opportunities, it nevertheless wishes to point out that the issues of career development and the

redeployment of staff between field and headquarters have to be viewed in the context of the overall needs and financial position of the Fund. The Committee is concerned that the potential gain in flexibility in administering the regular manning table may be at the expense of flexibility necessary to respond to changes in the situation of UNFPA, such as a decline in income level."

25. One of the arguments advanced in support of the request to integrate the project-funded posts into the regular staffing table under the APSS budget is that UNFPA "... has evolved from a basically financial source of population assistance into a multi-faceted programme development service." "UNFPA is on the threshold of a second stage - a more operational stage." (DP/1985/38, paras. 17 and 19). In this connection the Advisory Committee notes that expenditures in 1983 for Government-executed projects amounted to \$29,539,962; for UNFPA-executed projects the amount was \$15,342,485 (see Schedule 3 of the Fund's audited financial statements for 1983 1/). The Committee was informed that UNFPA provided backstopping for Government-executed projects. It is the Advisory Committee's conclusion that the UNFPA Administration has proceeded to meet the changing situation by establishing a number of project-funded field and headquarters posts. In response to its inquiries, representatives of the Executive Director informed the Advisory Committee that while the Governing Council has been aware of UNFPA's involvement in project execution, no thorough discussion of the subject has taken place in the Governing Council. Accordingly, the Advisory Committee recommends that the Executive Director submit a report to the Governing Council detailing UNFPA's evolving operational role and indicating the parameters within which UNFPA and the rest of the United Nations system would implement projects funded by UNFPA resources.

26. Justifications advanced for the proposed integration of 41 project-funded headquarters posts into the regular staffing table under the APSS budget and the three new headquarters posts requested for the substantive divisions include reference to prospective activities arising from the recommendations of the 1984 International Conference on Population. The Advisory Committee understands that the recommendations will affect not only UNFPA but also the activities of other organizations in the United Nations system. The Advisory Committee believes that any decision to strengthen the permanent establishment of UNFPA should follow rather than precede assessment of the workload arising from the International Conference.

27. One of the project-funded headquarters posts proposed for transfer into the regular APSS staffing table is that of an External Relations Officer at the P5 level who "... fulfils responsibilities relating to the United Nations Population Award and the Committee for the United Nations Population Award, in accordance with General Assembly resolution 36/201." (DP/1985/38, para. 78). The Advisory Committee points out that charging the UNFPA budget for the cost of this post appears inconsistent with the provisions of Article III, paragraph 4 of the Regulations Governing the United Nations Population Award, annexed to General Assembly resolution 36/201, which states that "All costs relating to the Award shall be financed from the investment income of the Trust Fund. The administrative costs shall be kept as low as possible." The Advisory Committee also questions whether the task of servicing the Committee for the United Nations Population Award warrants the full-time assignment of a post at the P-5 level.

28. As regards the integration of project-funded headquarters posts into the regular staffing table under the APSS budget, in the Administration and Finance Division, the Advisory Committee is not convinced by the argument that the Governing Council's approval of a new set of financial regulations for UNFPA in 1983 has resulted in greater responsibilities and increased workload for that Division. The Committee observes that a majority of the posts established by the UNFPA administration relates to functions being performed on behalf of UNFPA by UNDP, the United Nations and UNICEF. Yet, as shown in table III-2 of document DP/1985/39, the subvention to be paid to UNDP for administrative services to be rendered in 1986-1987 is estimated at \$2,750,600, as compared with \$2,484,600 for 1984-1985. Accordingly, the Advisory Committee is of the opinion that there is need to clarify the administrative functions being performed by UNFPA vis-à-vis those functions carried out by UNDP as well as the United Nations on behalf of the Fund.

29. Taking into account the considerations and observations expressed in paragraphs 18 to 28 above, the Advisory Committee concludes that the justifications submitted in document DP/1985/38 and Corr.1 and 2 are insufficient to warrant the integration of the project-funded headquarters and field posts in the numbers and grade levels proposed. Moreover, in the absence of conclusive workload data, the Committee is unable to support the UNFPA administration's request for 16 new APSS budget-funded posts in 1986-1987 (3 at headquarters and 13 in the field). Accordingly, the Advisory Committee recommends that the Governing Council:

(a) Accepts the proposed integration of 33 DRSAP project-funded posts into the regular APSS staffing table. (To an extent this would address the stated need to provide for rotation of staff at the Professional level between the field and headquarters).

(b) Not approve the transfer to the APSS budget of 305 field posts (199 DRSAP field support posts and 106 programme support units posts) on project funding pending submission of a report by the Executive Director to the Governing Council in 1987 (in conjunction with the submission of his proposed APSS budget estimates for 1988-1989) on UNFPA's evolving operational role as well as one the impact of the 1984 International Conference on Population (see paras. 25 and 26 above).

(c) Not approve the transfer to the APSS budget of existing headquarters project-funded posts, pending clarification of the issues raised by the Advisory Committee in respect of those posts. The Advisory Committee recommends that these clarifications be included in the report of the Executive Director to be submitted in 1987 pursuant to the Committee's recommendation in paragraph 30 (b) above.

(d) Not approve the request to establish 16 new APSS budget-funded posts (3 at headquarters and 13 in the field) in 1986-1987.

(e) Neither address nor pronounce itself on the UNFPA administration's staffing proposals for 1988-1989 at this time.

30. The Advisory Committee also recommends that the Executive Director should be requested to take steps to ensure that the Governing Council will be kept fully aware of all new project-funded posts established in the future.

PART B: Biennial budget estimates for administrative and programme support services for the biennium 1986-1987 (DP/1985/39 and Corr.1)

31. The 1986-1987 APSS budget estimates of UNFPA have been prepared on the assumption that the various proposals contained in document DP/1985/38 and Corr.1 and 2 will be approved. On that basis, the 1986-1987 APSS budget estimates would amount to \$54,797,676, as follows:

TABLE D

**TOTAL PROPOSED ADMINISTRATIVE AND PROGRAMME SUPPORT SERVICES
BUDGET FOR THE BIENNIUM 1986-1987
(\$)**

Main objects of expenditure	HQs 1986-1987 net estimates		Total HQs 1986-1987 estimates	Field	Grand Total
	Regular	Formerly project- funded			
Salaries					
Salaries (net)	13 936 697	3 132 486	17 069 183	10 190 068	27 259 251
Consultants	235 000	-	235 000	-	235 000
Temporary assistance	210 000	-	210 000	126 067	336 067
Overtime	129 053	15 947	145 000	192 621	337 621
Subtotal	<u>14 510 750</u>	<u>3 148 433</u>	<u>17 659 183</u>	<u>10 508 756</u>	<u>28 167 939</u>
Common staff costs	<u>6 279 308</u>	<u>1 089 252</u>	<u>7 368 560</u>	<u>4 178 700</u>	<u>11 547 260</u>
Travel of staff	<u>1 043 900</u>	<u>73 000</u>	<u>1 116 900</u>	<u>1 417 991</u>	<u>2 534 891</u>
General expenses					
Rental and maint. of premises	3 440 000	60 000	3 500 000	994 602	4 494 602
Communications	914 990	20 000	934 990	570 115	1 505 105
Others	1 074 550	152 000	1 226 550	1 503 129	2 729 679
Office automation	530 000	-	530 000	300 000	830 000
Subtotal	<u>5 959 540</u>	<u>232 000</u>	<u>6 191 540</u>	<u>3 367 846</u>	<u>9 559 386</u>
United Nations/UNDP subvention	<u>2 060 000</u>	<u>-</u>	<u>2 060 000</u>	<u>928 200</u>	<u>2 988 200</u>
Total	<u><u>29 853 498</u></u>	<u><u>4 542 685</u></u>	<u><u>34 396 183</u></u>	<u><u>20 401 493</u></u>	<u><u>54 797 676</u></u>

32. As shown in table D above, the estimate of \$29,853,498 covers the cost of the existing APSS regular staffing establishment of UNFPA (83 professional and higher level posts and 83 General Service posts) plus the cost of three new headquarters posts (see para. 13 above). The estimate of \$4,542,685 relates to the cost of integrating 41 project-funded posts at headquarters into the APSS budget (see para. 11 above). The estimate of \$20,401,493 includes the cost of integrating 338 project-funded field posts (33 DRSAP posts, 199 DRSAP field support posts and 106 programme support unit posts) and the establishment of 13 new field posts into the APSS budget (see paras. 5 and 8 above).

Observations of the Advisory Committee

33. The Advisory Committee notes that the estimate of \$54,797,676 for the APSS budget does not provide a complete picture of total administrative expenditures of UNFPA in 1986-1987. To this total must be added an amount of \$2.9 million, representing the cost of 34 other existing headquarters project-funded posts not proposed for integration into the APSS budget in 1986-1987. In that case, UNFPA's proposed total administrative expenditures in 1986-1987 charged against the APSS budget and project funds would be \$57,697,676.

34. Should the Governing Council approve the recommendations of the Advisory Committee in paragraph 29 above, there will be need for the UNFPA administration to delete the estimated cost of the 16 new posts requested. There will also be need to adjust the estimates for salaries and common staff costs as well as all other objects of expenditure to reflect (a) the integration of 33 DRSAP project-funded posts into the APSS budget and (b) the deletion of all other project-funded posts in the field and at headquarters from the APSS budget. Other reductions to the estimates recommended by the Advisory Committee in paragraphs 35 to 37 below should be applied after these initial adjustments have been made.

35. In response to inquiries, representatives of the Executive Director informed the Advisory Committee that the estimates for salaries and common staff costs had been calculated without application of turnover deduction in view of UNFPA's low vacancy rate (two Professional posts at headquarters and approximately 1 per cent of field posts). The estimates of salaries and common staff costs in respect of General Service posts had also been calculated to take full account of the outcome of the job classification exercise and the change to a seven-tier General Service salary scale, even though changes in the grades of incumbents of posts might not be immediately implemented. The Advisory Committee notes that unless there are overriding reasons, a turnover deduction of 5 per cent is normally applied by the United Nations on Professional posts. Taking into account UNFPA's low vacancy situation, the Committee believes that a turnover deduction of 1.5 per cent for Professional posts (the same rate used by UNDP) should be applied by UNFPA, with consequent reductions in the estimates for salaries and common staff costs.

36. As regards the estimates for travel of staff, the Advisory Committee was informed by representatives of the Executive Director that they reflect application of an annual inflation factor of 10 per cent. Bearing in mind that the United Nations and UNDP applies an annual inflation factor of 5 per cent for this object of expenditure, the Committee believes that the UNFPA estimate for travel of staff

includes an element of resource growth. The Advisory Committee also notes from paragraph 17 of the report of the Board of Auditors on UNFPA's financial report and audited financial statements for the year ended 31 December 1983 2/, that the standard on which UNFPA travel accommodation is based is less economical than the United Nations standard. The Advisory Committee was informed that UNFPA had adopted the United Nations travel accommodation standard; this should give rise to savings. Accordingly, in the opinion of the Advisory Committee, it should be possible for UNFPA to reduce its estimates for travel of staff by about 15 per cent.

37. In connection with requirements for communications, the Advisory Committee draws attention to paragraph 21 of the Board of Auditors report on the cost of long-distance telephone calls 3/ which states: "Our audit revealed that the system which has been introduced for recording all long-distance telephone calls is ineffective. We noted that a great number of calls lasted up to one hour or more, and that the honour system for distinguishing between official and personal telephone calls does not operate satisfactorily." In response to inquiries, representatives of the Executive Director informed the Advisory Committee that a station message detail reporting mechanism had been installed to better monitor such calls. The Advisory Committee believes that in addition to monitoring such calls, there is need to encourage economies in this regard and trusts that it will be possible for the UNFPA administration to reduce the estimates for communications by about 15 per cent.

38. The Advisory Committee sought clarification of the estimates for office automation. Representatives of the Executive Director informed the Committee that the estimate of \$530,000 for headquarters would provide for the acquisition of word-processing equipment and related expenses (3 work stations, 2 stand-alone units, printers, software, installation and training) and data processing equipment and related expenses (4 IBM/AT computers, 9 IBM personal computers, software, furniture and accessories, installation, training and 12 man-months of consultancy). The estimate of \$300,000 for the field would cover the cost of purchasing 20 IBM personal computers, software and related accessories for 20 field offices. While the Advisory Committee does not interpose any objection to these estimates, the Committee trusts that prior to purchase, steps will be taken to ascertain that equipment proposed will be fully utilized and compatible, particularly in the field offices.

PART C: Job classification results and financial implications for the 1986-1987 UNFPA biennial budget for administrative and programme support services (DP/1985/39/Add.1)

39. The outcome of the job classification exercise of UNFPA posts in the General Service category at headquarters, and the application of the new seven-level salary structure is summarized in table 1 of the Executive Director's report. Table 2 summarizes the outcome of the job classification exercise for UNFPA posts in the Professional and higher categories at headquarters and in the field. In paragraph 3, the Executive Director states that "The job classification results for both General Service and Professional categories would be implemented in conjunction with the implementation of the results for the UNDP staff by the

Administrator after obtaining concurrence from the Advisory Committee on Administrative and Budgetary Questions (ACABQ), as well as approval of the new scheme by the Governing Council." Should the necessary approval be obtained, it is the Executive Director's intention to implement the results of the post classification exercise effective 1 January 1985 for General Service staff and 1 January 1986 for Professional and higher level staff.

40. In paragraph 5 the Executive Director indicates that the cost of implementing the results of the post classification exercise for the General Service staff during 1985 would amount to \$52,500 and that he would endeavour to absorb this cost within the approved APSS budget appropriation for 1984-1985. This 1986-1987 implementation cost is already reflected in his APSS budget estimates for that biennium (see para. 35 above).

41. The full cost of implementing the results of the post classification exercise for posts at the Professional and higher levels is estimated at \$800,000 for the biennium 1986-1987. In paragraph 6, the Executive Director states his intention, however, to accommodate the additional costs within the proposed appropriations for 1986-1987.

Observations of the Advisory Committee

42. As shown in tables 1 and 2 of the report (DP/1985/39/Add.1), the classification exercise for UNFPA headquarters posts in the General Service category involved 111 posts, comprising 83 APSS budget-funded posts and 28 existing project-funded posts proposed for integration into the APSS regular staffing establishment. For headquarters posts at the Professional and higher levels, of the 99 posts reviewed, 83 are existing APSS budget-funded posts, 13 are existing project-funded posts proposed for integration into the APSS regular staffing establishment, and 3 are new APSS budget-funded posts requested for establishment in 1986-1987. For field posts, the 56 Professional and higher level posts included in the exercise comprised the existing 33 DRSAP posts and 18 internationally recruited programme officer posts plus five new DRSAP posts proposed for establishment in 1986-1987.

43. The Advisory Committee points out that should the Governing Council accept the Advisory Committee's recommendation in paragraph 29 (d) above, there will be need to exclude from the classification exercise the eight new Professional posts requested.

44. The Advisory Committee notes that it is not possible to ascertain the total number of posts whose grades have been revised upwards or downwards as a result of the classification exercise from tables 1 and 2 since they only indicate the net outcome of the exercise. At the Committee's request, representatives of the Executive Director provided additional information on the matter. Of the 111 posts in the General Service category, 48 posts were upgraded; two posts were downgraded and 4 posts had their classification changed to that of the Trades and Crafts category. In respect of the 99 headquarters posts at the Professional and higher levels, 37 posts were upgraded and 8 posts were downgraded. As regards the 56 field posts at the Professional and higher levels, 34 posts were upgraded and one post was downgraded.

45. The Advisory Committee observes that for General Service posts, the classification exercise has resulted in a 100 per cent increase in the number of posts at the G-5 and higher levels (from 27 to 54) and a decrease of 41.7 per cent in the number of posts at grades G-4 and lower (from 84 to 53).

46. For Professional and higher level posts at headquarters and in the field, there will be a significant increase in the number of P-5 and D-1 posts. At the same time, the number of junior Professional posts at the P-2/1 level will be reduced to six.

47. At the request of the Advisory Committee, representatives of the Executive Director provided a listing of all D-2 and D-1 upgradings and downgradings of UNFPA headquarters and field posts. This listing is reproduced in the annex to this report.

48. A brief description of the methodology used in the joint UNDP/UNFPA job classification exercise is provided in paragraph 41 of the UNDP Administrator's report (DP/1985/57). The related comments and recommendations of the Advisory Committee on the methodology used, the outcome of the UNDP exercise, and the proposed effective dates of implementation of the results of the classification exercise (1 January 1985 for posts in the General Service category and 1 January 1986 for posts at the Professional and higher levels), are contained in its report DP/1985/56. Those observations and recommendations apply equally to the results of the UNFPA exercise.

49. Bearing in mind that UNFPA Professional and higher level posts have been graded by applying the ICSC Classification Standards, the Advisory Committee does not interpose any objection to the results, as described in document DP/1985/39/Add.1, and in paragraph 44 above. At the same time, the Governing Council may wish to assure itself that the individual results of the exercise, especially with regard to posts at the D-1 level and above, are consistent with its wishes. As a matter of policy, the Council may also wish to consider whether steps should be taken towards an overall correction of UNFPA's grading structure, given the continuing decline in the number of posts at the lower levels.

Annex

Upgradings and downgradings of UNFPA headquarters and
 field posts at the D-1 and D-2 levels

<u>Headquarters (upgradings)</u>	<u>From</u>	<u>To</u>
Chief, Information and External Relations Division	D-1	D-2
Chief, Evaluation Branch, Policy and Evaluation Division	P-5	D-1
<u>Headquarters (downgrading)</u>		
Senior Management Specialist, Technical and Planning Division	D-1	P-5
<u>Field - DRSAP posts (upgradings)</u>		
Kenya	P-4	D-1
Indonesia	P-4	D-1
Ethiopia	P-5	D-1
Nigeria	P-5	D-1
Zimbabwe	P-5	D-1
China	P-5	D-1
India	P-5	D-1
Nepal	P-5	D-1
Thailand	P-5	D-1
Brazil <u>a/</u>	P-5	D-1
Jamaica	P-5	D-1
Mexico	P-5	D-1
Egypt	P-5	D-1
<u>Field - DRSAP posts (downgrading)</u>		
Morocco	D-2	P-5

a/ New DRSAP post requested for establishment in 1986-1987.

Notes

1/ Official Records of the General Assembly, Thirty-ninth Session, Supplement No. 5G, (A/39/5/Add.7).

2/ Ibid.

3/ Ibid.
