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Budgetary and Finance Committee

ADOPTION OF THE REPORT OF THE BUDGETARY AND FINANCE COMMITTEE
TO THE GOVERNING COUNCIL

Draft report of the Budgetary and Finance Committee

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Addendum

CHAPTER III. OTHER FUNDS AND PROGRAMMES

A. United Nations Volunteers Programme

1. The Assistant Administrator, Bureau for Special Activities, provided supplementary information to the document DP/1986/49/Add.1, which requested approval by the Governing Council to introduce supports costs for the delivery of volunteers in projects. Emphasizing the critical staffing situation affecting the United Nations Volunteers (UNV) headquarters, he indicated that despite expanding programming activities, the number of staff had not increased over the years, the ratio of volunteers per headquarters staff had roughly doubled since the mid-seventies when the goal had been to reach 500 volunteers in post. The administration of each volunteer represented a

distinct unit of work, and little opportunity existed for economies of scale. The Assistant Administrator had drawn attention to this situation last year. An independent survey, undertaken and completed in February 1986 described the serious consequences of understaffing.

2. The Assistant Administrator described the possible ways to finance the \$960,000 needed annually to implement the recommendations contained in the survey, i.e., an addition of 10 professional and 7 general services posts. The proposed 8 per cent support costs for UNV-executed projects would yield \$586,000, considerably less than the \$960,000 estimated for the full implementation of the proposed strengthening of UNV headquarters, but would suffice until an equitable sharing of the 13 per cent collected by agencies could be negotiated with them. Requests for a corresponding increase in the administrative budget would have broken the principle under which the administrative budget should cover only general management costs. The Assistant Administrator pointed to the anomaly that agencies collected the same support costs for volunteers as for experts or the delivery of equipment, while no support cost was charged for UNV-executed projects. The Programme had established a firm reputation, and a modest addition in the overall cost of a project would not curb the trend toward increased use of this type of technical assistance.

Summary of the discussion in the Committee

3. Agreement was expressed on the need to strengthen UNV headquarters in the light of the information provided in DP/1986/49, Add.1, the consultant's report on the staffing situation in UNV headquarters, and the Assistant Administrator's oral report. Members in general expressed support for the work of UNV and commended the efforts to enlarge the programme. One member emphasized the programme's expanding domestic development services and technical co-operation among developing countries. Members recognized that

the expansion had created a severe imbalance between programme activities and staff level. In view of the labour-intensive nature of the work required for the identification, post-matching, nomination, fielding and administration of volunteers, one member stressed the need for a decision to be taken at the present session of the Council.

4. The majority of members expressed concern over the introduction of support costs not limited to financial and administrative aspects. This provision might lead to substantive changes and a change in the mandate and nature of UNV, thus changing the status of UNV to one of an executing agency. Several members stressed the necessity to define programme priorities. The increased workload included UNV involvement in country programming and the increase in direct execution. The programme should limit its activities to those mentioned in its mandate.

5. Specific questions were raised on the level and reasons for UNV-executed projects, and on the share of the Special Voluntary Fund (SVF) used to cover the costs of volunteers. The gap between the number of established posts and filled posts was queried, as only two thirds of volunteers were actually in service. One member questioned whether UNV had obtained the full acceptance of the international community. Contributions to SVF were inadequate. Long delays in placing volunteers had been experienced. Another member noted that each volunteer was visited at least once in the field by an official from headquarters, while this practice was useful for management purposes, such visits could nevertheless be undertaken by local officers. Another member reiterated his Government's call to reverse the negative trend in the recruitment of volunteers from developed countries. Several delegations requested an organizational chart detailing the breakdown, level and job description of additional staff. Information was also requested on the tasks carried out by agencies using volunteers.

6. Several members expressed concern over the introduction of support costs which would obscure the financial overview. The tapping of UNDP central resources was not encouraged. Several delegations wondered how many volunteers would be administered per staff post in headquarters. Most delegations expressed willingness to consider other mechanisms for establishing a flexible financing arrangement.

Response by the Administration

7. The Assistant Administrator noted that the cost of a volunteer was a quarter or less than that of a traditional expert and that cost-effectiveness would not be dramatically affected by the addition of the 8 per cent support cost. In response to the general comments made on changing the UNV mandate, the Assistant Administrator reiterated that the programme undertook exactly the tasks assigned to it. The increase in the demand for volunteers had not been met by a concomitant increase in staff and the imbalance had existed for several years. It would be regrettable if the Programme were to be curtailed when the need for operational, cost-effective and middle-level technical co-operation experts increased. The recourse to support costs was requested to generate some income to alleviate a critical human and administrative overloading, not to change the mandate and status of UNV. Execution by UNV, which had not been objected to by the Council, differed from agency-executed projects only in that the substantive backstopping was provided directly by Government officials instead of agency experts. Referring to a proposal requesting UNDP to take on administrative tasks, the Committee was reminded of the tasks already fulfilled by resident representatives and field staff in the identification and interviewing of candidates, and in the administration of volunteers. With regard to the internal organizational arrangements, an organizational chart would be made available, detailing the level and tasks to be filled by the proposed staff. The Assistant Administrator indicated that

95 per cent of SVF was used to cover the external costs of volunteers. A partial-offset scheme, whereby \$1,000 was paid for each volunteer, had been adopted a few years previously by the Governing Council.

Further discussion in the Committee

8. The Associate Administrator presented some conclusions drawn from informal meetings with members of the Committee, and a budget estimate was circulated, detailing the cost of the proposed additional staffing for UNV, based on updated figures and present exchange rates. A lump-sum transfer from the support cost line of UNDP general resources was proposed to provide the financing of five professional and four general service posts until December 1987. A substantive review of the UNV mandate and work priorities would be undertaken to enable the formulation of a more permanent solution on the staffing situation. The findings would be submitted to the Governing Council at its thirty-fourth session.

9. Many members expressed support for the proposal presented by the Associate Administrator. One member drew attention to the nature of the posts described as "established" in the draft budget estimates and suggested they should be considered as temporary rather than established. Another member said that the final recommendation of the Committee should not exclude other financing modalities, such as the administrative budget, to provide additional posts on a long-term basis; similarly, another member said that the possibility should not be ruled out of linking the staffing level of UNV, over and above a core level of staff, to the level of actual programme needs. One member wanted to be assured that the level of additional staffing proposed as an interim solution would be adequate to meet the current project programme needs until December 1987.

Further response of the Administration

10. The Associate Administrator clarified the fact that the posts under the proposal would indeed be temporary until December 1987. A number of financing modalities would be considered when preparing the proposal for a long-term solution to the UNV staffing situation for submission to the Governing Council at its thirty-fourth session. Furthermore, the Associate Administrator remarked that UNV would have to make the best use of the additional staffing proposed in meeting the current and projected needs of the programme.

Recommendations of the Committee

11. The recommendations of the Committee on this item are reflected in paragraphs 4 and 5 of the proposed decision on the revised budget estimates for the biennium 1986-1987.
