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BUDGETARY AND FINANCE COMMITTEE
Thirty-fourth session
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Item 10 of the agenda of the 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

Rapporteur: Mr. Hans OLSSON (Sweden)

Corrigendum

CHAPTER IV. FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

B. Revised budget estimates for 1986-1987 and budget
estimates for 1988-1989

Add the following text to that contained in document DP/1987/BFC/L.2/Add.11:

BIENNIAL BUDGET ESTIMATES, 1988-1989

Further discussion of the Committee

1. The Committee reviewed in considerable detail the reasons for the establishment of the two new divisions within BPPE, as well as the number and gradings of the positions in each. Delegations generally gave their full support to the strengthening of the policy capability of UNDP headquarters and the establishment of the two new divisions. Several delegations, in discussing the establishment of the new divisions, pointed to the desirability of additional resources being provided to the Technical Advisory Division and the Central Evaluation Office. In this connection, the Committee invited the administration to review the staffing needs of these two other units with a view to strengthening

them if possible by redeployment within existing resources. On this basis, the Committee accepted the current proposals, while cautioning the administration against too many high-level posts at headquarters.

2. On the issue of the establishment of the new divisions and the grading of several new posts, a number of delegations noted that decisions of the Administrator on the internal reorganization of headquarters functions, taken in conjunction with a zero-growth core budget for the 1988-1989 biennium had significantly curtailed the opportunity for the Committee to have other views and priorities effected. Other delegations considered that the internal personnel changes, based on clearly stated priorities set by the Council and within staffing levels already approved, were within the prerogative of the Administrator.

3. Concerning the post of a second Deputy Director in the Regional Bureau for Africa, the Committee was presented with substantial justification for this new, temporary post and concluded that it was indeed justified in light of the exceptional circumstances in Africa. Some delegations, however, expressed the strong view that further posts should be in the field offices, while others affirmed the management discretion of the Administrator.

4. Concerning the post of Director of the Geneva Office, many delegations felt that this post did not justify its grading at the Assistant Secretary-General level, in the light of the changed responsibilities of the office and of the call of the Secretary-General in the context of recommendation 15 of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations as adopted in General Assembly resolution 41/213 of 19 December 1986. Some others supported the grade level in principle. A number of delegations questioned whether it would be necessary or desirable to give the position the proposed new broader mandate on resource mobilization, while others considered appropriate the new tasks assigned to the office in the fields of external relations, information and resource mobilization.

5. The administration outlined its reasons for the changed mandate. In response to the debate, the Administrator suggested a compromise approach: he proposed that the current grading be regarded as specific to the incumbent; he further suggested that the budgetary grading be retained either for the 1988-1989 biennium, or until departure of the present incumbent, whichever was earlier; he further proposed that there be a review of the most appropriate role and function for the post of Director.

6. This compromise proposal was accepted with the modification that the Administrator was requested to review, in the light of the discussion in the Budgetary and Finance Committee, not only the role, functions and grading of the post of Director but the Geneva Office as a whole, and to report to the Governing Council at its thirty-fifth session.

7. As regards IAPSU, further discussions of the Committee yielded a general consensus that the staffing of the unit be temporarily strengthened by one Professional and one General Service post, with appropriate provision for general operating expenses, on the understanding that the administration would prepare a report on the work of IAPSU for submission to the Council in 1988, including recommendations as to what the most appropriate structure and staffing of the Unit should be, as well as the appropriate financing approach, bearing in mind the possibility of obtaining financial support from the United Nations executing agencies which benefited from the work carried out by the Unit. A number of delegates indicated their hope that the subject of procurement from developing countries would receive special attention in this review.

8. A number of delegations also expressed concern at the extent to which administrative costs appeared to be charged to the UNDP support cost line. It was therefore agreed by the Committee that the administration should prepare a review of this subject especially as it affected the organization's administrative and programme support budget. This review should be reported to the Council at its thirty-fifth session (1988).
