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UNITED NATIONS POPULATION FUND

BIENNIAL BUDGET ESTIMATES FOR THE ADMINISTRATIVE AND PROGRAMME SUPPORT SERVICES FOR THE 1990–1991 BIENNIA

Report of the Advisory Committee on Administrative and Budgetary Questions
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Report of the Advisory Committee on Administrative and Budgetary Questions

1. In accordance with Regulation 9.4 of the Financial Regulations and Rules of the United Nations Population Fund (UNFPA), the Advisory Committee on Administrative and Budgetary Questions has considered, on the basis of an advance text, the Executive Director's report on biennial budget estimates for the administrative and programme support services (APSS) for the 1990-1991 biennium (DP/1989/41). The Advisory Committee also considered, on the basis of advance texts, the Executive Director's reports on UNFPA publications and audio-visual productions (DP/1989/40); and on strategy of UNFPA for office automation including the development of a management information system (DP/1989/42). In addition, for background purposes, the UNFPA Administration made available to the Committee the advance text of the Executive Director's report on UNFPA's work plan for 1990-1991 and request for approval authority (DP/1989/34). During its consideration of the subjects, the Advisory Committee met with the Executive Director and her colleagues.

2. As stated in introductory paragraph 69 of the report (DP/1989/41), "... the Executive Director has maintained the format and appropriation structure used in the revised 1988-1989 APSS budget". The Advisory Committee recommends that the format and presentation of the document be improved in future submissions by eliminating or shortening those narratives which repeat information which can be clearly understood from statistical tables provided.

3. The Advisory Committee notes, from introductory paragraphs 64 to 68 of the estimates, that the financing of the expenditures to be incurred by the Fund during the 1988-1989 biennium for remodelling and the rental of additional office space headquarters, as approved by the Governing Council at its Special Session in February 1989, would involve the consequential transfer of credits between appropriations for individual programmes in the APSS budget for 1988-1989. In this connection, the Committee notes from introductory paragraph 67, the Executive Director's stated intention, in accordance with Financial Regulation 11.5 of the Fund, to seek at a later date, the Committee's concurrence in this and any other transfers of credits between programmes of the APSS budget for 1988-1989.

Estimates for 1990-1991

4. As shown in table 1 of document DP/1989/41, the Fund projects total income corresponding expenditure in 1990-1991 at $477.0 million, which is $72.0 million (17.8 per cent higher than the approved 1988-1989 level of $405.0 million.

5. The Fund's 1990-1991 estimate of total income comprises $466.0 million in general resources income (including $30.0 million in estimated carry-over income from 1988-1989), and $22.0 million in trust fund income (including $4.0 million i
estimated carry-over income from 1988-1989). These amounts would be offset by the setting aside for the Fund's operational reserve of an amount of $11.0 million from general resources income.

6. Of the Fund's corresponding total expenditure estimate of $477.0 million in 1990-1991, $79.7 million under general resources is for the APSS budget, covering headquarters costs ($47.7 million net, after applying $4.5 million in credits from overhead and miscellaneous income) and field office costs ($32.0 million). The balance would cover $348.3 million in programme expenditures under general resources; $27.0 million in agency support costs under general resources and $22.0 million in project expenditures and related support costs.

7. Tables 2A and 3A in document DP/1989/41 respectively provide summaries of the APSS budget proposals (headquarters and field) by programme and by object of expenditure. Tables 4A and 5A respectively provide object of expenditure breakdowns of headquarters and field office APSS budgetary requirements. The proposed APSS budget for 1990-1991 of $79.7 million (net) is $20.7 million, or 35.1 per cent, higher than the approved 1988-1989 APSS budget of $59.0 million (net). According to the Executive Director, this proposed increase of $21.0 million (rounded) "... is composed of about $9.6 million in cost increases, much of which comprises statutory increases and inflation, and of $11.4 million in volume increases". (DP/1989/41, introductory para. 15.) She indicates that the volume increases include $2.2 million for additional field staff; $2.4 million for additional headquarters staff; $2.6 million for proposed office automation including the development of management information systems (excluding related staff costs which have been included in the request for additional headquarters staff); $0.6 million for increased staff training; $1.5 million for including the cost of printing certain publications currently financed from project funds in the APSS budget; and $0.9 million for rental of additional office space at headquarters. (ibid.) The balance of some $1.2 million represents proposed volume increases under a number of other objects of expenditure.

8. The bulk of the proposed volume increase (in particular, the request for additional staff) is directly attributable to the Fund's proposed new directions. According to the Executive Director,

"The Fund must also further strengthen its function as a repository of knowledge and experience with respect to population policies and programmes. To fulfil the increasingly complex role of provider of funds and of technical expertise, UNFPA must have an in-house capability for collecting, assessing, storing and disseminating information and lessons learned from experiences on an ongoing basis. Moreover, the Fund should increasingly become a field-oriented organization and further build up the substantive capabilities of its field offices. This means that the Technical and Evaluation Division (TED), the Geographical Divisions and the field offices must assume new roles and responsibilities in order to move UNFPA into this new direction." (DP/1989/41, introductory para. 4.)
The Executive Director states further in introductory paragraph 5, that

"As part of this new direction, UNFPA must shift its focus from a project approach to a programme approach, from designing individual projects to meet specific needs to assisting countries, at their request, in formulating comprehensive programme strategies to guide population interventions. The results of these interventions need to be examined in a systematic process of programme review and assessment. Thus, in the future, all substantive work of UNFPA must contain an evaluation component. ... In sum, UNFPA will give equal emphasis to programming and to monitoring and evaluation."

Observations and recommendations of the Advisory Committee

General resources income

9. The Advisory Committee notes that excluding carry-over income of $30 million, the estimate for general resources income in 1990-1991, $436.0 million, is $67.1 million, or 18.2 per cent, higher than the corresponding income estimate of $368.9 million for 1988-1989. However, the proposed APSS budget, estimated at $79.7 million (net), would increase by $20.7 million, or 35.1 per cent, over the approved expenditure budget of $59.0 million (net) for 1988-1989. The proposed APSS budget would thus constitute 18.3 per cent of projected general resources income, as compared with 16.0 per cent for the 1988-1989 biennium. As can be seen from the information in introductory paragraph 7 of the estimates, income estimates can be affected by many factors, including level of interest income from investments and gains or losses in exchange rates. If the Fund's projection of general resources income in 1990-1991 is not fully realized, the proposed APSS budget would take up an even larger share of such resources.

10. The Advisory Committee sought additional information concerning the substantial amounts of estimated carry-over in general resources income from the previous biennium ($24.1 million carried over into 1988-1989 and $30.0 million into 1990-1991). (Document DP/1989/41, table 1.) The UNFPA Administration informed the Committee that prior to 1988-1989, the Fund had reduced its programme allocations because of the loss of one major donor. However, the projected resource shortfall was subsequently covered by the receipt of additional contributions from other donors and exchange rate gains. Hence, the large carry-over of general resources income from 1986-1987 into 1988-1989. The increased projection of carry-over general resources income from 1988-1989 into 1990-1991 took into account the assumption that during the current biennium there would be a temporary slow-down in programme allocations due to the managerial and structural adjustments in progress at headquarters and in the field offices. However, after that, the Fund expected to reduce its projected carry-over of general resources income from 1990-1991 into 1992-1993 to $20 million. According to the UNFPA Administration, carry-over resources represented resources that had been allocated but not spent.
Operational reserve

11. In response to its inquiries, the UNFPA Administration informed the Advisory Committee that the current level of the Fund's operational reserve was $40 million. The proposed transfer of another $11 million from general resources income to the operational reserve in 1990-1991 would raise its level to $51 million by 1991. This amount ($51 million) would constitute 25.4 per cent of projected general resources income of $228 million in 1991. (DP/1989/41, introductory para. 8 and table 1.) In this connection, the Committee notes that no information has been provided that would indicate whether the projection of $228 million in general resources income in 1991 comprises only donor contributions, or whether it also includes elements of general resources interest income from investments and foreign exchange gains.

12. The Advisory Committee recalls that by decisions 81/7 III, paragraph 5 and decision 86/34 IV, paragraph 4, the Governing Council had authorized UNFPA to increase its operational reserve annually, to reach a level equivalent to 25 per cent of annual contributions by the middle of the 1990s. Financial Regulation 12.2 (a) of the Fund states that the purpose of the operational reserve "... is to guarantee the financial viability and integrity of UNFPA. The Reserve shall be fully funded and held in irrevocable and promptly available liquid assets". In subparagraphs (i) to (iv) of this Regulation, the elements that this operational reserve would compensate for and cover are limited to downward fluctuations or shortfalls in resources; uneven cash flows; increases in actual costs as compared to planning estimates or fluctuations in delivery; and other contingencies which result in a loss of resources for which UNFPA has made commitments for programming. The Regulation also states that "The decision to make a drawdown from the Operational Reserve shall rest solely with the Executive Director, who will report all drawdowns to the Governing Council ...".

13. The Advisory Committee notes that under the current arrangements established by the Governing Council, as the level of donor contributions continues to rise in future years, the dollar value of each percentage point that would need to be set aside for the operational reserve would also increase. The Committee notes, from additional information provided to it by the UNFPA Administration, that the last time recourse to the operational reserve was made by the Executive Director was during 1981-1982, when expenditures incurred were higher than income received. In view of the substantial level that the Fund's operational level has attained, the Governing Council may wish to review its current position on the matter.

APSS budget and methodology

14. The Advisory Committee is concerned by how the UNFPA Administration has translated the objectives cited in paragraph 8 above into additional resource requirements. For the reasons outlined in the paragraphs below, the Committee questions whether such changes in direction warrant the UNFPA Administration's corresponding requests for revised post classifications, additional headquarters and field staff and other related APSS resources in the manner and scale proposed (see paras. 21 and 22 below). In the opinion of the Committee, neither the information submitted in document DP/1989/41 nor additional information provided by
the UNFPA Administration sufficiently demonstrate how the additional resources proposed will help achieve the stated objectives of the new directions.

15. The Advisory Committee understands that a number of proposals in the APSS budget are to implement the Fund's new directions as quoted in paragraph 8 above, including the Fund's objective to become increasingly field-oriented. With regard to the latter, the Committee notes that when expressed in dollar terms, the field costs component of the APSS budget would increase by $10.2 million (from $21.8 million in 1988-1989 to $32 million in 1990-1991) while that for headquarters would increase by $10.5 million (from $37.2 to $47.7 million), and that the bulk of the senior-level Professional posts would continue to be located at headquarters. On the above basis, the Fund's proposed field orientation is not fully borne out by budgetary allocation.

16. A key aspect of the Fund's proposed field orientation is the decentralization of authority from headquarters to the field. The Advisory Committee discussed again this question with the Executive Director and her representatives. The Committee notes that the decentralization measures were started in mid-February 1988 and actual implementation commenced some six months ago. It is therefore not yet possible, on the basis of explanations provided in document DP/1989/41 and on the additional information provided by the UNFPA Administration, to arrive at an appreciation of how such delegation measures affect the quality of project activities and the Fund's structures and resource requirements, including the Fund's 1990-1991 requests for additional substantive APSS posts at headquarters. The Committee is also concerned at the apparent development of two forms of delegation of approval authority: one to the field offices and one to the headquarters geographical and technical evaluation divisions. This appears to have resulted, among other things, in requests for confirmation of a number of high-level headquarters post classification results (see para. 25 below). In this connection, the Committee cautions against the potential for confusion that may arise if delegation of authority is not clearly delineated and properly assigned between headquarters and the field offices, and among headquarters units.

17. As part of its stated intention to strengthen its function as "a repository of knowledge and experience with respect to population policies and programmes" (see para. 8 above), the Fund is requesting additional staffing resources at headquarters in 1990-1991 in the area of population data, policy and research (see paras. 25 and 34 below). The Committee notes that aspects of the Fund's activities in this area parallel those carried out by the Population Division of the Department of International Economic and Social Affairs of the United Nations and may place the two entities in competition with each other. However, there is no discussion in document DP/1989/41, of the Fund's current and future co-operative relationship with the Population Division in this regard, and of efforts to ensure that there is no overlap and duplication of activities.

18. As regards the Fund's new emphasis on programming, monitoring and evaluation (see para. 8 above), in the opinion of the Committee, it has not been fully explained, especially in terms of the Fund's organizational structure and related additional staffing proposals.
19. The Advisory Committee notes from introductory paragraph 69 that standard United Nations budgetary practices, "modified by UNFPA to suit its own requirements", have been followed by the Fund. In introductory paragraphs 76 and 77, information is provided on inflation rates and on the delayed recruitment and vacancy factors used to calculate staff and non-staff costs. The Committee is of the view that some of these rates are more favorable than those used by the United Nations. The Committee points out that if the UNFPA Administration were to apply modified vacancy turnover factors that would more closely accord with recent experience, and to adopt lower rates of inflationary increases at headquarters and in the field offices than assumed, the Fund's proposed APSS budget level would have been lower.

20. In tables 4A and 5A of document DP/1989/41, estimates for staff training and electronic data processing (EDP) training have been included under the common staff costs category. Bearing in mind that common staff costs are intended to cover mandatory and statutory staff expenses (other than salaries), the Committee questions the appropriateness of including estimates for training under this category, and recommends that they be separately identified in future.

Overall staffing

21. As shown in tables 3B, 4B and 5B of document DP/1989/41, the Fund's total approved 1988-1989 APSS staffing establishment of 624 posts comprises 221 posts at headquarters (219 established and 2 temporary posts) and 403 posts in the field offices (257 established and 146 temporary posts). Of the 219 headquarters established posts, 93 are at the Professional and higher levels (1 Under-Secretary-General, 2 Assistant-Secretary-General, 3 D-2, 11 D-1, 28 P-5, 25 P-4, 18 P-3 and 5 P-2/1), and 126 are General Service posts (including 43 at the Principal level). Both the two headquarters temporary posts are at the Professional level (1 P-5 and 1 P-4). Of the 257 established field posts, 57 are at the Professional and higher levels (6 D-1, 42 P-5, 2 P-4 and 7 P-3), 49 are National Officer posts, and 151 are Local level posts. The 146 temporary field posts comprise 23 National Officer posts and 123 Local level posts.

22. If approved, the Executive Director's staffing proposals for the fund in 1990-1991, including the results of the post classification exercise, would increase the Fund's staffing establishment to 700 posts (all on an established basis), which would represent an overall increase of 12.2 per cent over the approved 1988-1989 staffing establishment of 624 posts. The headquarters staffing establishment would increase from 221 posts in 1988-1989 to 242 posts in 1990-1991, of which 107 posts would be at the Professional and higher levels (1 USG, 2 ASG, 8 D-2, 9 D-1, 38 P-5, 26 P-4, 22 P-3 and 1 P-2/1) and 135 posts would be at the General Service level (including 43 at the Principal level). The field staffing establishment would increase from 403 posts in 1988-1989 to 458 posts in 1990-1991, of which 63 posts would be at the Professional and higher levels (6 D-1, 47 P-5, 10 P-3), 93 posts would be at the National Officer level, and 302 posts would be at the Local level.
23. The results of the Fund's post classification exercise following the 1988 reorganization of the Fund's structure and management at headquarters are discussed in introductory paragraphs 31 to 45 of document DP/1989/41. Additional information is also provided in the respective staffing tables and narrative paragraphs under headquarters programmes I, II and III. According to the Fund, the post classification exercise was conducted by the UNDP/UNFPA Classification Panel which "applied the formula and methodology developed by the International Civil Service Commission (ICSC) as adopted by the United Nations General Assembly for general (common system) application". (Introductory para. 36.) Out of a total of 95 established and temporary APSS posts at headquarters (including the Geneva office), 43 posts were submitted to the Panel for review. "Another 52 posts appeared unaffected by the reorganization." (Introductory para. 35.) The net results of the review on post levels at headquarters are indicated in introductory paragraph 38. It shows a net increase of five D-2 posts and 3 P-5 posts, offset by decreases of 2 D-1, 2 P-4 and 4 P-2/I posts.

24. However, these numbers do not provide a comprehensive picture since the actual number of posts proposed for classification at the D-2 and D-1 levels, as well as at other post levels, are higher, but some of these would be met through posts made available as a result of the Fund's reorganization (see introductory paras. 33 and 38). The situation is further complicated by the Fund's position that as a result of the reorganization, some of the posts submitted for classification carry out new functions and therefore should be regarded as being classified for the first time, rather than as reclassified existing posts. Consequently, "in many cases it is not possible to state that a specific post has been reclassified from one level to another" (see introductory para. 34). According to the Fund, approval of all the post classification results at headquarters would entail a budgetary increase of $570,000 for 1990-1991 (see introductory para. 39).

25. At its request, the UNFPA Administration identified the headquarters posts that had been classified to the P-5, D-1 and D-2 by the Panel, as follows:
<table>
<thead>
<tr>
<th>Post</th>
<th>1985 classified level</th>
<th>1988 classified level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief, Special Unit for Women, Population and Development, Office of Executive Director</td>
<td>-</td>
<td>D-1</td>
</tr>
<tr>
<td>Senior Technical Officer, Sp. Unit for WPD, (OED)</td>
<td>-</td>
<td>P-5</td>
</tr>
<tr>
<td>Chief, Resource Development Unit, (OED)</td>
<td>-</td>
<td>P-5 (but under review)</td>
</tr>
<tr>
<td>Chief, Programme Co-ordination, Management and Field Support Office, (OED)</td>
<td>-</td>
<td>D-2</td>
</tr>
<tr>
<td>Deputy Chief, PCMFSO and Chief, Policy Programme Co-ordination, (OED)</td>
<td>-</td>
<td>P-5</td>
</tr>
<tr>
<td>Chief, Management Information Systems Unit, PCMFSO, (OED)</td>
<td>-</td>
<td>P-5</td>
</tr>
<tr>
<td>Chief, Division for Finance, Personnel and Administration</td>
<td>D-1</td>
<td>D-2</td>
</tr>
<tr>
<td>Chief, Governing Council, UN Liaison and External Relations Branch, Information and External Relations Division</td>
<td>-</td>
<td>D-1</td>
</tr>
<tr>
<td>Chief, Editorial, Publications and Media Services Branch, (IERD)</td>
<td>P-4</td>
<td>P-5</td>
</tr>
<tr>
<td>Chief, Africa Division</td>
<td>D-1</td>
<td>D-2</td>
</tr>
<tr>
<td>Chief, Division for Arab States and European Programmes</td>
<td>D-1</td>
<td>D-2</td>
</tr>
<tr>
<td>Chief, Asia and the Pacific Division</td>
<td>D-1</td>
<td>D-2</td>
</tr>
<tr>
<td>Chief, Latin America and the Caribbean Division</td>
<td>D-1</td>
<td>D-2</td>
</tr>
<tr>
<td>Chief, Maternal and Child Health/Family Planning Branch, Technical Evaluation Division</td>
<td>-</td>
<td>D-1</td>
</tr>
</tbody>
</table>
26. As a further aid to facilitating its understanding of the overall implications of the Fund's staffing proposals at headquarters, the Advisory Committee also requested the UNFPA Administration to provide an organigram of the reorganized Fund structure, with all posts at the P-5 and higher levels superimposed (assuming that the post classification results are approved in entirety). This organigram has been reproduced as an annex to the Committee's report.

27. The Advisory Committee recalls that when considering the Executive Director's proposals in 1988 for the reorganization of the Fund's organizational units at headquarters (DP/1988/42), it had submitted its views on the matter in paragraphs 8 and 9 of its related report (DP/1988/44), as follows:

"8. ... In this connection, the Advisory Committee recalls that the results of a job classification exercise on all of the Fund's headquarters posts were submitted by the Executive Director in document DP/1985/39/Add.1. In its related report (DP/1985/40, paras. 42 to 49), while not interposing any objection to its outcome, the Advisory Committee noted that of the 99 Professional and higher level headquarters posts reviewed, 37 posts would be upgraded and 8 posts downgraded. The Governing Council approved the implementation of these reclassifications in its decision 85/20 I., paragraph 14. In document DP/1987/41, the Executive Director requested the reclassification of another four Professional and higher level headquarters posts. In its related report (DP/1987/44, para. 16), the Advisory Committee expressed no objection to the requests. The Governing Council approved these reclassifications in decision 87/31, paragraph 7.

"9. Taking into account its observations ..., the Advisory Committee does not interpose any objection to the Fund's reorganization at headquarters. At the same time, the Governing Council may wish to seek further reassurance from the UNFPA Administration that the revised functional allocations will, inter alia,
achieve the objectives of maximizing efficiency and eliminating duplication of work, and that the fragmentation of organizational units will not lead to future grade creep in the form of substantial new requests for post reclassifications."

28. In the opinion of the Committee, the proposed results of the post classification exercise at headquarters at the P-5, D-1 and D-2 levels (see para. 25 above) and their placement in the Fund's reorganized structure (see annex), appear to bear out the concerns expressed by the Committee in 1988 regarding the possibility of fragmentation of organizational units and grade creep. Compared with the approved staffing establishment for 1988-1989, the proposed 1990-1991 APSS headquarters staffing establishment profile would be significantly more "top-heavy" (see paras. 21 and 22 above, and DP/1989/41, table 4B).

29. The Advisory Committee is not convinced that the proposed classification of the posts of the Chiefs of the Geographical Divisions at the D-2 level (see para. 25 above) are warranted. The attempted linkage, in introductory paragraph 40 of document DP/1989/41, between the proposed level of the Fund's Chiefs of Geographical Division posts with that of UNDP's Chiefs of Regional Bureaux posts is also open to question. Similarly, and bearing in mind its comments in paragraph 17 above, the Committee is of the opinion that the size and functions ascribed to each of the Branches in the Technical Evaluation Division do not justify the proposed classification of the posts of Chiefs of the Branches identified (see para. 25 above), at the D-1 level. As regards the proposed classifications of the posts of Chief, Division for Finance, Personnel and Administration at the D-2 level, and Chief, Special Unit for Women, Population and Development at the D-1 level (see para. 25 above), the Committee maintains its position expressed in paragraph 20 of its report DP/1988/44 that it is "not convinced that the two proposed reclassifications are justified".

30. The Advisory Committee cautions against the Fund's tendency towards fragmentation. The Committee observes that a concerted attempt to combine functions judiciously, especially of the Branches in the Technical Evaluation Division, could have yielded a smaller number of such Branches and required concomitantly less D-1 posts with better justification. The Committee also observes that if, following the 1988 reorganization of the headquarters units, a policy position had been adopted that there would be no change in the number and level of all existing D-1 and higher level posts for the immediate future pending actual operating experience under the new structure, the results of the post classification exercise could have been different from that proposed in document DP/1989/41.

31. The Advisory Committee notes that neither information contained in document DP/1989/41 nor additional information provided by the UNFPA Administration to it on the post classification exercise, provided a clear explanation of the rationale used in arriving at the results achieved. Moreover, in the opinion of the Committee, when the application of the ICSC's master standard on the Fund's post classification exercise yields the kind of results indicated (especially with regard to higher level posts), then the question of subjectivity needs to be raised.
Post classification exercise (field)

32. For reasons stated in introductory paragraph 46 of document DP/1989/41, the Executive Director requests confirmation of the classification of two Country Director posts located in the Congo and Morocco at the P-5 level. Additional information on the request is contained in narrative paragraph 10 and table 18B under programme IV of the document. The Advisory Committee has no objection to this request. At the same time, the Committee notes that calling these posts "Country Director" posts represents a change in nomenclature, since such posts were previously known as Deputy Representative posts.

Conversion of temporary posts to established posts (headquarters and field)

33. The Executive Director requests the conversion of two temporary Professional level headquarters posts to established posts (one P-5 post for a Chief Technical Officer and one P-4 Systems Analyst post) under programme I (DP/1989/41, narrative para. 9 and table 8). These posts which are for the management information systems (MIS) project, were approved on a temporary basis by the Governing Council in its decision 88/36. The Committee believes that pending completion of the MIS project, all posts related to the project should be maintained as temporary posts (see also para. 35 below). Accordingly, the Committee recommends against conversion at this stage. The Executive Director's request to convert 146 temporary field posts to established posts is contained in introductory paragraph 24, and narrative paragraph 9 and table 18B under programme IV (Field programme support services) of document DP/1989/41. The Advisory Committee reiterates its previous recommendation as contained in paragraphs 28 and 29 of its report (DP/1988/44), that the request to convert these 146 temporary posts be approved.

Requests for new posts (headquarters)

34. In introductory paragraphs 25 to 30 of document DP/1989/41, the Executive Director requests 21 new headquarters posts on an established basis, comprising 12 posts at the Professional level (6 P-5, 2 P-4, 4 P-3) and 9 General Service posts. The respective narrative paragraphs and staffing tables under programmes I, II and III of the document also contain additional information concerning the individual post requests. Approval of these requests would involve a volume increase of some $2.4 million to the APSS budget estimates for 1990-1991 (see para. 7 above). The proposals of the Executive Director may be summarized as follows:

Programme I (Executive direction and management)

one P-5 Senior Systems Analyst post in Programme Co-ordination, Management and Field Support Office (PCMFSO) (re MIS project)

one P-3 Operations Supervisor post in PCMFSO (re MIS project)
Programme II (Administration, information and external relations services)

(a) Division for Finance, Personnel and Administration

one P-4 Budget and Finance Officer post
one P-3 Procurement Officer post
two General Service posts (1 for administrative assistance and support to Chief, Budget Management and Analysis Section and 1 for Procurement Unit)

(b) Information and External Relations Division

one P-4 Information Officer post
one General Service support post

Programme III (Programme planning, appraisal and monitoring)

(a) Africa Division

two P-3 Programme Officer posts
two General Service support posts

(b) Technical and Evaluation Division

five P-5 Senior Technical Officer posts (2 for Maternal and Child Health/Family Planning Branch; 1 for Education, Communications and Youth Branch; 2 for Population Data, Policy and Research Branch)

four General Service support posts (1 for MCH/FP; 1 for ECY; 2 for PDPR)

35. The Advisory Committee has no objection to the request for two Professional posts (1 P-5, 1 P-3) under Programme I in connection with the Fund’s proposed office automation plans and MIS project. However, for reasons stated in paragraph 33 above, the Committee recommends that these posts should be approved as temporary posts. In this connection, the Committee notes that approval of this request would provide the MIS Unit with a staffing complement of seven posts in 1990-1991, comprising four temporary Professional posts (2 P-5, 1 P-4, 1 P-3 – see paras. 33 above and 35); and three established General Service posts, including one at the Principal level (assigned from the Fund’s existing General Service staffing resources – see DP/1989/42, table 2).
36. Under programme II, the Committee recommends approval of the requests for two Professional posts (1 P-4, 1 P-3) and two General Service support posts in the Division for Finance, Personnel and Administration. However, the Committee was not convinced by the reasons advanced in introductory paragraph 26 and narrative paragraph 7 under programme II, for the requests for one new P-4 Information Officer post and one General Service support post in the Information and External Relations Division, and accordingly recommends that they not be approved.

37. The Advisory Committee recommends approval of the requests for two P-3 Programme Officer and two General Service support posts in the Africa Division under programme III.

38. With regard to the new post proposals for the Technical Evaluation Division under programme III, the Committee recommends acceptance of only one (instead of two) new P-5 Senior Technical Officer post for the Maternal and Child Health/Family Planning Branch; one P-5 Senior Technical Officer post for the Education, Communications and Youth Branch; and one General Service support post each for these two Branches. However, the Committee was not convinced by the justification submitted in introductory paragraph 25 and narrative paragraph 11 under programme III, concerning the requests for two Senior Technical Officer and two General Service support posts for the Population Data, Policy and Research Branch. Bearing in mind also, its reservations expressed in paragraph 17 above, the Committee recommends that the requests for these two P-5 and two General Service support posts not be approved.

39. Adoption of part or all of the recommendations of the Advisory Committee in paragraphs 36 and 38 above would entail reductions to the Fund’s proposed APSS budget estimates for 1990-1991.

Requests for new posts (field)

40. In introductory paragraph 20 of document DP/1989/41, the Executive Director requests 55 new field office posts on an established basis, comprising 6 posts at the International Professional level (3 P-5, 3 P-3), 21 National Officer posts and 28 Local level posts (including 8 driver posts). Additional information is provided in narrative paragraphs 5 to 8 and table 18B under programmes IV (Field programme support services) of the document. Approval in entirety of these requests would involve a volume increase of some $2.2 million to the APSS budget estimates for 1990-1991 (see para. 7 above). The proposals of the Executive Director may be summarized as follows:

- 3 P-5 Country Director posts in Democratic Yemen, Bolivia and Haiti.

- 2 P-3 International Programme Officer posts in sub-Saharan Africa (Kenya and Uganda).

- 1 P-3 International Programme Officer post in Costa Rica to assist in coverage of Central American region.
21 National Officer posts: 14 in sub-Saharan African region
  1 in Arab States and European region
  3 in Asia and Pacific region
  3 in Latin America and Caribbean region

20 local posts: 8 in sub-Saharan African region
  5 in Arab States and European region
  1 in Asia and Pacific region
  6 in Latin America and Caribbean region

8 driver posts: 5 in sub-Saharan African region
  1 in Arab States and European region
  2 in Latin America and Caribbean region.

41. The Advisory Committee recommends acceptance of the Executive Director's proposals for the field offices identified in paragraph 40 above.

Plans for office automation and proposed management information systems

42. Introductory paragraphs 47 to 50 and table 6A and 6B of document DP/1989/41 provide an overview of the Fund's plans and proposals in this regard. A more detailed discussion of the project is submitted in the Executive Director's report on strategy of UNFPA for office automation including the development of a management information system (DP/1989/42). Excluding staff costs, the project cost would involve a volume increase of some $2.6 million in the Fund's proposed APSS budget for 1990-1991 (see para. 7 above). Including staff costs (see paras. 33 and 35 above), the cost of implementing the initial phases of the project in 1990-1991 is estimated at $3,487,800 (see DP/1989/41, table 6). The cost of implementing and completing the subsequent phases of the project are shown as $2,441,400 in 1992-1993 and $1,913,400 in 1994-1995. Thus, the full financial implications of the project spread over three biennia are in the order of $7.8 million (including staff costs).

43. The Advisory Committee recalls that pursuant to the provisions of paragraph 8 of Governing Council decision 86/35 on the reporting of information on the use of project funds for headquarters-based activities, the Executive Director had submitted (in the annex to document DP/1988/39) proposals for the financing of its proposed MIS systems under mixed-financing arrangements involving project funds and APSS budget resources. In paragraphs 33 and 34 of its related report (DP/1988/44), the Committee had, inter alia, questioned the Fund's rationale for mixed financing and expressed its view that such a project should appropriately be charged against the APSS budget if approved. The Committee had also stated its expectation that such a project involving significant potential capital expenditure should have been accompanied by a detailed cost-benefit analysis, including the development of the overall design on which the subsequent components of the project would be established. In paragraphs 12 and 13 of its decision 88/36, the Governing Council did not take a final decision on the project and requested the Executive Director to submit a separate report on the subject. The Executive Director's current
request, in documents DP/1989/41 and DP/1989/42, for approval of the Fund's office automation plans and proposed MIS project with full financing under the APSS budget, take account of the developments described above.

44. The Advisory Committee has consistently encouraged and supported the introduction and application of technological innovations whenever it has been demonstrated by the requesting entity that such technology will be used to the best advantage and in the most economical manner. Moreover, experience has shown that the use of such technological innovations can reasonably be expected to improve staff productivity as well as ameliorate the need to request additional staff in future to meet increased work-load demands. In the light of information submitted in documents DP/1989/41 and DP/1989/42, as well as additional information provided to it by the UNFPA Administration, the Advisory Committee recommends approval by the Governing Council, of the Fund's plans for office automation and proposed MIS project under full APSS budget financing at an estimated cost of $2.6 million in 1990-1991, excluding staff costs (see para. 42 above). The Committee also recommends that the Governing Council not pronounce itself at this stage concerning the Fund's cost projections for the project in 1992-1993 and 1994-1995 (see para. 42 above). These cost projections should be considered in the context of the Fund's APSS budget proposals for those biennia, at which time information on the progress of project implementation, operating experience gained, and the consequential impact on staff productivity and future staffing requirements should also be submitted.

Inclusion of the cost of publications currently financed from project costs in the APSS budget

45. In introductory paragraph 52 of document DP/1989/41, it is stated that "Based on the findings of the Fund's report on UNFPA publications and audio-visual publications, which is being submitted to this session of the Governing Council (see document DP/1989/40), the Executive Director recommends that the cost of the Fund's Annual Report, Population monthly newsletter, Populi quarterly journal, UNFPA information pamphlets, and Publications and Audio-Visual Guide be integrated into the APSS budget for 1990-1991. At present, the Annual Report is the only UNFPA publication financed under the regular budget; the other four are funded through project budgets." Inclusion of the cost of producing these publications in the APSS budget would involve a volume increase of $1.5 million in 1990-1991 (see para. 7 above). The Committee understands from additional information provided to it by the UNFPA Administration, that the difference of some $329,100 between this proposed volume increase ($1.5 million) and the actual 1990-1991 APSS estimate of $1,829,100 for publications (see DP/1989/41, tables 3A and 4A) is intended to cover other miscellaneous printing requirements at headquarters and in the field offices.

46. In introductory paragraph 57 of document DP/1989/41, the Executive Director "further recommends that the State of the World Population report, the Inventory of Population Projects in Developing Countries Around the World, and the Guide to Sources of International Population Assistance continue to be funded through project budgets". In response to its inquiries, the UNFPA Administration informed the Advisory Committee that the related cost of producing the publications proposed for continued financing from project funds was estimated at approximately $1.7 million in 1990-1991.

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47. In the light of its consideration of the overview contained in introductory paragraphs 51 to 57 of document DP/1989/41 and the detailed discussion contained in document DP/1989/40, the Advisory Committee believes that no compelling argument has been advanced to justify the proposal to continue funding those publications identified in paragraph 46 above from project funds. In the opinion of the Committee, the cost of producing those publications should properly be charged against the APSS budget and not to project funds. Accordingly, the Committee recommends the inclusion of the cost of producing those publications in the APSS budget estimates for 1990-1991 also, but in the additional amount of $1 million (not $1.7 million as estimated by the UNFPA Administration – see para. 46 above). On that basis, the total APSS budget estimate for publications in 1990-1991 would need to be revised upwards from $1,829,100 to $2,829,100.

Training and staff development

48. The Executive Director proposes to increase provision for this activity from $400,000 in 1988-1989 to $1 million in 1990-1991 – a volume increase of $600,000. Of this estimate of $1 million, $750,000 is intended for the field and $250,000 for headquarters (see DP/1989/41, paras. 60 to 63). In view of additional information provided to it by the UNFPA Administration detailing the proposed training programmes to be implemented, the Advisory Committee has no objection to this estimate.

Rental and maintenance of premises at headquarters

49. As can be seen from table 4A of the document, overall APSS requirements for rental and maintenance of premises at headquarters will increase by $1,235,800, from $4.6 million in 1988-1989 to $5,835,800 in 1990-1991. Of this increase, $816,800 represents a volume increase attributable to the Fund’s rental of 12,400 square feet of additional office space in the Daily News Building. In introductory paragraphs 64 to 68 of document DP/1989/41, the Executive Director reiterates the developments that led up to the Governing Council’s decision (decision 89/13) in February 1989, to approve the Executive Director’s requests to remodel existing UNFPA headquarters premises and to rent additional office space. In this connection, and in view of the Fund’s substantial requests for new posts at headquarters in 1990-1991, the Committee recalls that in paragraph 7 of its report DP/1989/69 of February 1989 to the Special Session of the Governing Council, the UNFPA Administration had stated that the request for additional office space was intended to “improve the working conditions of UNFPA’s General Service staff, while maintaining current standards for the Fund’s Professional staff”.

50. At the request of the Committee, the UNFPA Administration provided a detailed breakdown of the components of the 1990-1991 estimate of requirements for rental and maintenance of premises. In view of the additional information provided, the Committee has no objection to the estimate.
Annex

CLASSIFICATION RESULTS AS RECOMMENDED BY CLASSIFICATION PANEL AND
AS SUBMITTED IN DP/1989/41

28 April 1989

UNITED NATIONS POPULATION FUND

Office of the Executive Director (OED)
- Executive Director
- Dep. Ex. Director
- Asst. Ex. Director

USG
ASG
ASG

Executive Office

D-1

Special Unit for Women, Pop. & Dev.

Resource Development Unit

Policy & Programme Coordination Unit

Planning & Statistics Unit

Library & Pop. Info. Services Unit

Management Information Systems Unit

D-2

D-2

Programme Coordination, Mngt. & Field Support Office

P-5

P-5

P-5

D-1

Information & External Relations Division

D-2

Division for Finance, Personnel & Administration

P-5

Finance Branch

Personnel Branch

Admin. Branch

Europe Liaison Office

Editorial, Publications & Media Services Br.

GC/UN & External Relations Branch

D-2

Africa Division

P-5

East & Southern Africa Branch

West & Central Africa Branch

D-2

Division for Arab States & European Programmes

D-2

Asia & the Pacific Division

P-5

South & West Asia Branch

East & South East Asia Branch

D-2

Latin America & the Caribbean Division

P-5

D-2

Technical & Evaluation Division

D-2

MCH/FP Branch

D-1

Education, Commu., Youth Branch

D-1

Pop. Data, Policy & Research Branch

D-1

Interprog. & NGO Programmes Branch

D-1

Evaluation Branch

D-1

GNPPA

FIELD

OFFICES

* Chief of the unit listed in the tables of document DP/1989/41 as P-5, but currently under review.