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P O L I C Y

UNITED NATIONS TECHNICAL CO-OPERATION ACTIVITIES

Report of the Secretary-General

Summary

The report of the Secretary-General on United Nations technical co-operation activities for 1985 comprises four parts. The first, the present document, addresses various policy matters; the others describe the technical co-operation programme of the Department of Technical Co-operation for Development (DTCD) (addendum 1), and those of other entities of the Secretariat (addendum 2), accompanied by a statistical supplement (addendum 3). Taken together, these documents seek to review the main activities and special characteristics of the programmes, and to highlight issues for attention. The present paper focuses on the work and concerns of DTCD, the main operational arm of the Secretariat.

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I. GENERAL

1. The work of the Department of Technical Co-operation for Development in 1985 was characterized by several positive developments. Reversing the trend from several previous years, DTCD delivered a total of \$127.2 million in project expenditures, the largest programme since 1981. At the same time, the gap between administrative costs and programme support earnings has been eliminated, as earnings rose while the related costs continued to be reduced. The Department produced an operating surplus in the overhead account; the amount was sizeable enough to eliminate much of the previous deficit. These developments reflected a greater mobilization of funds for technical co-operation; an increased volume in project budgets available; a substantial improvement in the delivery of ongoing programmes; and an increased effectiveness in DTCD performance. Many new projects have begun; more project personnel have been placed, more fellowships awarded; lead time, especially for procurement, has been reduced; and the proportion of total UNDP agency expenditures delivered by DTCD continued to rise.

2. During 1983, the Department initiated major organizational and resource adjustments with a view to restoring its financial strength and simultaneously enhancing its overall capabilities for technical co-operation activities in collaboration with Governments and funding partners. As illustrated in Figures 1 through 4 below, and further discussed in the body of this report, the record shows that the efforts of the Department are now bearing fruit.

3. These trends are in keeping with the importance of programmes for which DTCD is responsible under United Nations mandates, and the increasing demand for services by developing countries. The Department will continue its efforts not only to sustain and consolidate the positive results achieved so far, but also to further strengthen its capabilities to play a greater future role in technical co-operation activities.

Figure 1. DTCD programme support earnings and administrative costs
(in millions of US dollars)

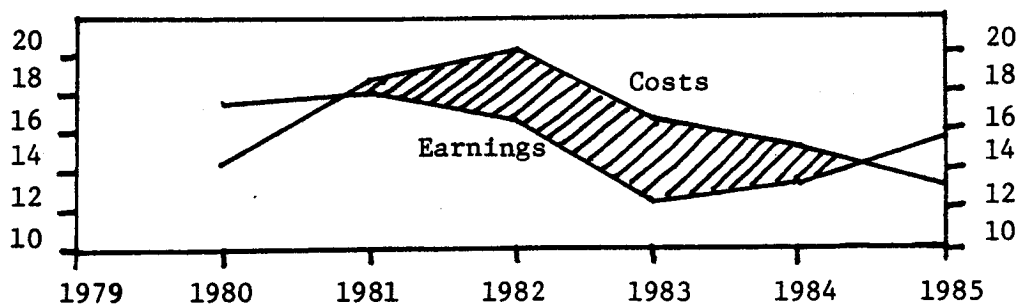


Figure 2. DTCD total project budgets and delivery
(in millions of US dollars)

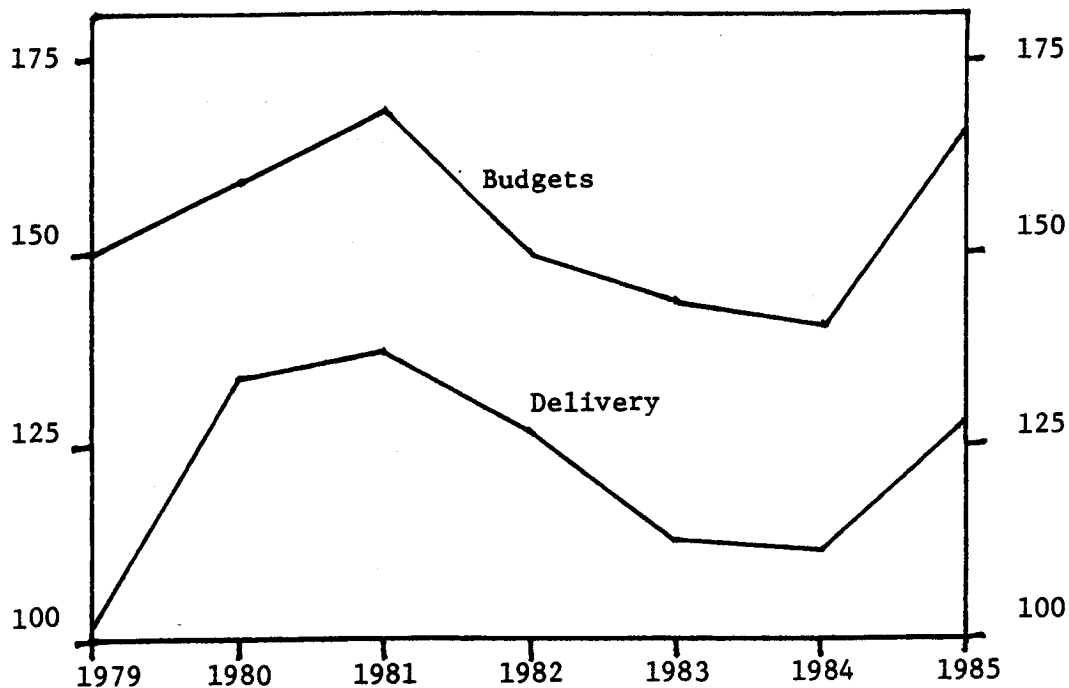


Figure 3. DTCD Project delivery by source of funds
(in millions of US dollars)

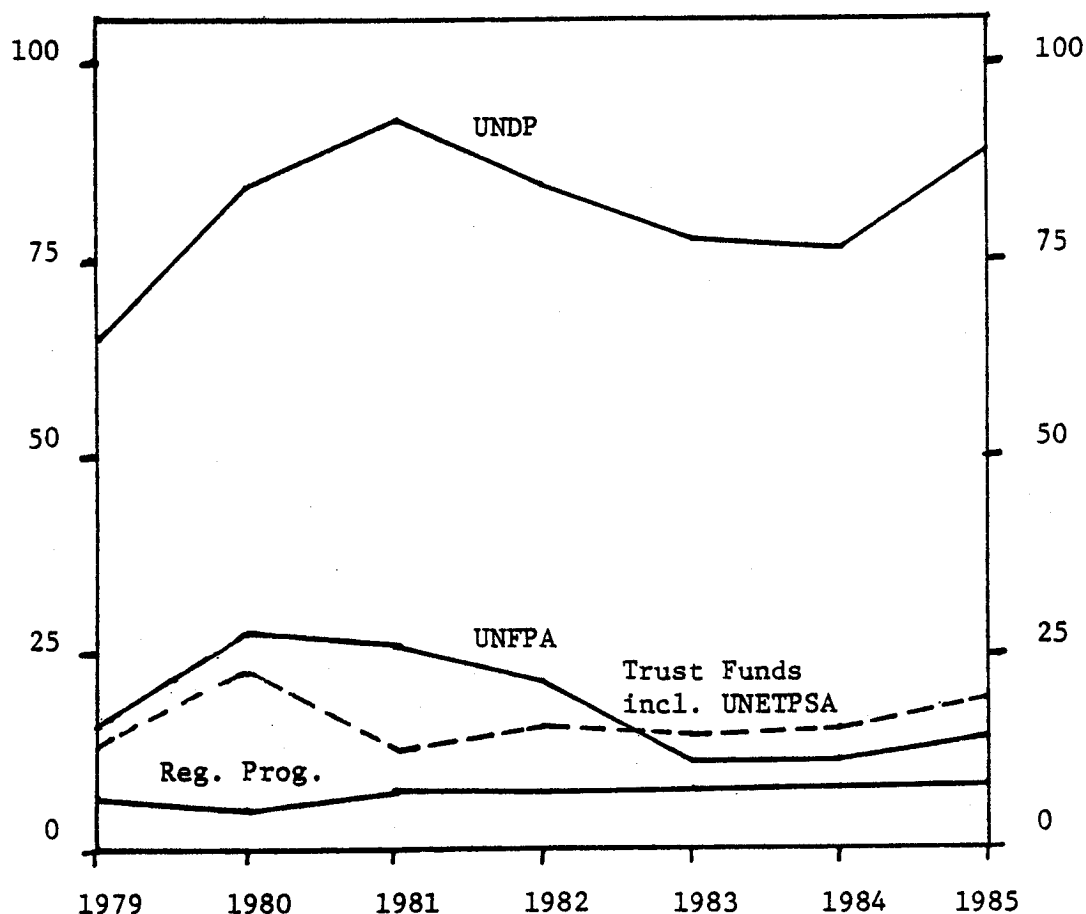
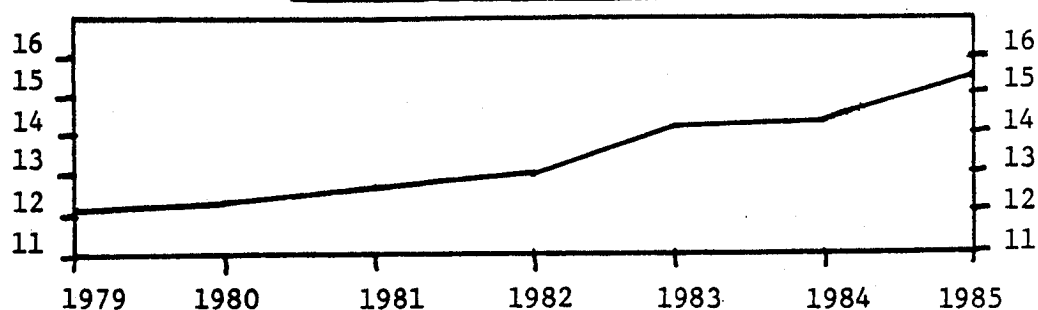


Figure 4. DTCD as percentage of project delivery by all
UNDP executing agencies



II. PROGRAMME DELIVERY AND ADMINISTRATIVE COSTS

4. As requested in General Assembly resolution 37/232 and Governing Council decision 83/16, a review is presented here of the relation between DTCD programme delivery and administrative costs; of the level and use of programme support-cost earnings, including information on extrabudgetary resources and the associated staffing tables; and of expenditures by various categorizations. This chapter and chapter III below also respond to Governing Council decision 85/21, which requested that administrative, financial and personnel measures continue to be explored so as to increase the competitiveness of DTCD as an executing agency.

5. Statistical details on DTCD project delivery and origin of inputs are given in addendum 3. Data for the technical co-operation activities of the United Nations Secretariat are made available in the aggregate to the Advisory Committee on Administrative and Budgetary Questions (ACABQ). Full information on the Department staffing table is contained in section 7 of the programme budget for the biennium. Likewise, information on the resources for the United Nations Regular Programme of Technical Co-operation is contained in section 24 of the programme budget.

6. Within the total of technical co-operation project expenditures delivered in 1985 by DTCD, \$116.5 million was for projects which earned programme support cost reimbursements, from UNDP, United Nations Fund for Population Activities (UNFPA), and trust fund sources. There was another \$10.7 million in project expenditures on behalf of sources which did not generate such earnings, including the Regular Programme, the United Nations Educational and Training Programme for Southern Africa (UNETPSA) and the United Nations Fund for Namibia. It should also be recalled that in addition to technical co-operation projects, DTCD also undertakes other types of activities, under various legislative mandates, to meet its responsibility as the main operational arm of the Secretariat. Some of these are noted elsewhere in this part of the report or in addendum 1.

7. The efforts of the Department to restore the balance between administrative costs and programme support earnings yielded positive results in 1985 (see figure 1). Earnings in 1985 totalled \$15.6 million, up from \$13.6 million in 1984. On the other hand, administrative costs, including those incurred by units outside DTCD in support of the technical co-operation activities of the Department, declined to \$13.1 million from the previous \$15.1 million. Thus, DTCD produced in 1985 an operating surplus of \$2.5 million on the Overhead account, the first surplus since 1980. It thereby reduced from \$4.2 million to \$1.7 million the previous accumulated operating deficit, which had resulted from the decline of the DTCD programme, and thus of support cost earnings, between 1981 and 1984. The reduction in administrative costs reflected the continuing impact of the 1983 staff cuts (when over 150 posts were eliminated); further attrition of staff and freezing of vacancies; continued containment of non-staff costs such as travel; and the effects of external factors, including reduced inflation and common staff costs. In fact, while the 1985 total value of project expenditures exceeded that of 1982, it was delivered by the Department with a one third reduction in

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administrative costs, and with one third fewer posts than it had in that year. The Department productivity on a per capita basis has accordingly been greatly increased.

8. Delivery of the 1985 DTCD programme of technical co-operation, as stated above, amounted to over \$127 million. These project expenditures were incurred against current year budgets of \$165 million, giving an implementation rate of 77 per cent. In 1984 the budgets totalled \$140 million and the expenditures \$111 million, with an implementation rate of 79 per cent. Expenditures thus rose by 15 per cent, compared with the 18 per cent increase in budgets which became available (see figure 2).

9. By source of funds, the expenditures were \$87.9 million for UNDP-financed projects (69 per cent of the total); \$13.7 million for UNFPA (11 per cent); \$14.8 million under trust funds (12 per cent); \$7.5 million under the United Nations Regular Programme of Technical Co-operation (6 per cent); and \$3.2 million under UNETPSA (2 per cent). The corresponding figures for 1984 were: UNDP, \$76.7 million; UNFPA, \$11.5 million; trust funds \$11.9 million; Regular Programme, \$7.1 million; and UNETPSA \$3.7 million. UNDP accounted for over two thirds of the volume increase between 1984 and 1985. Expenditures under trust funds also showed a significant increase (see figure 3).

10. By geographic area, the 1985 delivery was \$45.2 million for Africa; \$36.1 million for Asia and the Pacific; \$28.6 for the Middle East, Mediterranean, European and Interregional (MEMEI); and \$17.3 million for the Americas. The programme in Asia grew the most, up \$7.5 million from 1984. The programme in Africa remained the largest but its share declined somewhat, from 38 per cent to 36 per cent. The implementation rate for MEMEI projects was the highest, at 82 per cent; that for projects in Africa was the lowest, at 73 per cent. The delivery situation in Africa has been a cause of concern in DTCD and, in fact, represents a system-wide difficulty. The Department engaged in special efforts to augment programme implementation in Africa during 1985, but it will take some time for the full impact to show up in the financial data.

11. By substantive sector, the distribution of expenditures was natural resources and energy, \$59.7 million; development planning, \$21.7 million; statistics, \$17.7 million; public administration, \$11.8 million; population, \$7.1 million; social development, \$4.8 million; UNETPSA, \$3.2 million; and others, \$1.2 million. Natural resources and energy remained the largest programme, at 47 per cent, with increases since 1984 of \$5.4 million, \$3.2 million and \$1.7 million in the energy, water and infrastructure subsectors respectively; the minerals subsector decreased by \$1.1 million. Development planning was second, at 17 per cent. The work in statistics showed the most notable change, with a growth of 43 per cent (\$5.4 million) in expenditures from the previous year.

12. By component, DTCD 1985 delivery included \$59.5 million for project personnel; \$34.8 million for equipment; \$21.5 million for training; \$7.2 million for sub-contracted services; and \$4.2 million for miscellaneous. The proportion of expenditures for personnel declined to 47 per cent from 52 per cent the previous year; equipment rose to 27 per cent from 21 per cent; the shares for sub-contracts, training and miscellaneous remained steady. The main increase in expenditures was for equipment, which grew by \$11.1 million (see addendum 1, para. 103).

III. IMPROVEMENTS IN EFFECTIVENESS

13. As discussed above, the recent trends in DTCD performance are quite encouraging. Undoubtedly, many external as well as internal factors have been at work. Nevertheless, various measures taken by the Department did contribute to the increase in effectiveness.

14. The reorganized structure adopted by DTCD in 1983 reversed a long tradition of separation between (sectoral) substantive backstopping and (geographic) programme management responsibilities. The integration of the two, by sector, has simplified and made more economical the use of staff resources, after an initial period of adjustment, and has helped to improve the quality, timeliness and impact of the work. Furthermore the work of the Regular Programme-funded interregional advisers (IRAs) of the Department has been increasingly focused on the portion of their responsibilities related to the identification and formulation of new projects. In carrying out staff reductions, the maintenance and improvement of the technical competence of the Department has been of prime importance.

15. Another important consideration has been the expanded use of programme monitoring devices in order to facilitate the detection of potential bottlenecks and the adoption of measures for accelerating delivery. From its inception, the Department has devoted special effort to its monitoring system, which has improved steadily. The year 1985 was no exception: the recently revised series of monthly monitoring reports proved very useful tools for project management. Communications with UNDP resident representatives included a number of special actions to seek assistance in overcoming project delays, briefings at headquarters, field visits, and the very worthwhile individual discussions which took place during the Global Meeting of Resident Representatives in November 1985, in Copenhagen. The value of expenditures for many substantive sectors and project components, and the implementation rates for some, have been aided by these measures. In related actions, a number of internal procedures have been improved and simplified, and revised sections of the DTCD headquarters procedures manual have been issued.

16. The Department participated in the Spring 1985 round of UNDP missions to major agencies concerning project budgeting, implementation and monitoring. That exercise, and the resultant report, assisted in further analysis of problems and possible remedies. A second round of consultations took place in March 1986.

17. With a view to placing the Department on a firm financial basis for the future, including resolution of the deficit issue mentioned above in para. 7, the Secretary-General undertook several steps in 1985, in the context of preparing section 7 of the programme budget for the 1986-1987 biennium. As part of this, DTCD was called upon to eliminate an additional 25 posts beyond the cuts earlier sustained. Thus, the Departmental staffing table, which had included a total of 573 posts in the 1982-1983 biennial budget, and which had been reduced to 417 posts by end-1983, are to be further reduced to 392 posts during 1986. Twenty-one other posts, charged to DTCD programme support funds but located outside the Department are also to be cut. The Secretary-General has also identified other measures for further consideration and implementation as appropriate.

18. The identification of means to increase DTCD effectiveness is a matter of continuing priority. Areas for scrutiny include the review of data from the monthly monitoring reports for analysis of implementation problems; greater familiarization with existing computerized tracking systems and the development of new ones; the refinement of working relations within and between DTCD divisions; the improvement of communications, especially between headquarters and the field; the strengthening of personal contacts with the field; and responsiveness to emerging trends in technical co-operation.

19. The subject of evaluation continues to receive special attention, both as concerns the effectiveness of DTCD-executed projects and as an area for substantive assistance to Governments. DTCD has accordingly participated in the UNDP efforts for drafting and testing revised procedures for the project reporting, monitoring and evaluation system, and continues to collaborate with UNFPA on evaluation matters. The Department has agreed to adopt the revised UNDP procedures as the frame of reference in all projects financed from the Regular Programme and from trust funds, thereby contributing to a harmonization of methodology. DTCD has established focal points within its substantive offices to follow up the evaluation-related activities. Two internal training sessions were held in 1985 to familiarize DTCD staff with the revised UNDP procedures; the first one was organized in co-operation with the Central Evaluation Office/UNDP.

20. On the substantive side, the strengthening of Government capabilities for evaluation is a continuing emphasis in DTCD technical co-operation activities. In the field of development administration, this theme is an integral part of projects and seminars in such areas as policy analysis, Government budget and audit, personnel performance, management control, and public enterprises. In development planning, the theme is notably included in projects for the assessment of public sector investment programmes, and for the strengthening of national offices responsible for aid co-ordination. DTCD is executing several projects of the latter type in least-developed countries. They emphasize work for establishing systems of monitoring and evaluation (including data banks); the training of personnel; the development of methodologies for project formulation; and the implementation of information systems to support technical co-operation management. On the basis of such experience a new interregional project, Methodological Development of a Technical Co-operation Management System, is being devised for Regular Programme funding. Its objective is to improve information systems on multilateral and bilateral assistance in order to strengthen national monitoring, evaluation and follow-up capacities, thereby facilitating aid co-ordination. As part of this, a general methodology for implementing relevant computerized information systems is to be developed for application in various countries, particularly the least-developed ones.

21. The Department has also co-operated in the UNDP review of the effectiveness of assistance to strengthen governmental evaluation capacities in Africa (reported upon in DP/1986/20), and will be drawing appropriate lessons from the findings of that study.

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22. The annual assessment of the results of recently completed DTCD-executed projects in various sectors, in response to General Assembly and Governing Council requests, is included in chapter II of addendum 1.

IV. ISSUES FOR FURTHER ATTENTION

23. While it is gratifying to see the recent upswing in budgets for United Nations technical co-operation activities, it is disconcerting to note the present overall outlook for multilateral aid flows. This situation has serious implications for the important development work needed to be done in the DTCD fields of competence. Moreover, the operational activities of DTCD can hardly remain immune from the financial crisis currently besetting the United Nations. And this is at a time when more, not less, is needed to cope with the African crisis and the severe dislocations in many other countries.

24. Within the United Nations itself, a number of unresolved issues persist which limit the ability of the Department to maximize the use of available resources. These have been expounded in detail in previous annual reports (e.g., DP/1983/18, DP/1984/42, DP/1985/43), resulting in deliberations and decisions by the Council. In brief, the main issues include: (a) the slow progress towards full implementation of General Assembly resolution 32/197 with regard to clustering in a single organizational entity all technical, managerial and operational capabilities related to technical co-operation activities of the United Nations Secretariat, this has involved various jurisdictional, organizational, and administrative problems; (b) the extent of duplication of DTCD functions by other entities; (c) the direct execution by the principal funding agencies of projects for which DTCD has the necessary mandate and technical support services; and (d) the still inadequate use, by the financial and funding institutions of the United Nations system, of the special competence, experience, and operational capabilities of DTCD during various phases of the project cycle. Aspects of these matters will be included in the Secretary-General's consideration of the further measures to strengthen the Department's effectiveness as an executing agency already referred to in paragraph 17 above.

25. A JIU report on DTCD in 1983 made a number of suggestions regarding the above, pointing the way to a strengthened position for the Department (A/38/172 and Add. 1). In 1984, a report was submitted by the Secretary-General to the General Assembly on the status of implementation of the restructuring resolution, which also included proposals for further action on these (A/39/476). The General Assembly has taken note of the two reports; the restructuring question will again be on its agenda in 1987.

26. Regarding direct execution, while the Governing Council did not endorse the limitations recommended by the 1984 JIU report on the Office for Projects Execution (OPE), it did welcome reaffirmation of the principle of partnership in dealing with the subject. Accordingly, a joint UNDP/DTCD task force held sessions through mid-1985 to identify greater opportunities for collaboration. However, its conclusions have yet to be translated into operational terms, which would provide guidelines for field and headquarters practices.

27. Wider collaboration between UNDP as a whole and DTCD could be achieved by developing further a mutually supportive relationship between the two organizations, reflecting their respective roles and complementary capabilities. In view of the importance of these issues for the optimum use of resources, and their special relevance at the current time of financial stringency, it was agreed with UNDP that they would be the subject of a second joint UNDP/DTCD task force in the latter part of 1985. This Task Force, which has now been postponed to 1986, also has particular significance in the light of the request by the General Assembly, in its resolution 40/211, that the Director-General report on the results of efforts to increase collaboration between DTCD and UNDP.

28. As regards greater use of the special competence of DTCD by United Nations system financial and funding institutions, aspects of the present levels of co-operation with the World Bank and the regional development banks, as well as with UNDP and UNFPA, are discussed in chapters V and VII below. Progress is being made in some areas; further measures could be undertaken.

V. SPECIAL CONCERNS

A. Africa

29. The critical economic and social situation in Africa results from a long and ruinous sequence of events. Drought and desertification are the most visible of these, but the catalogue of adversities includes changes in the prevailing prices for exported commodities and for imported energy requirements; world economic recession; conflicting priorities of urban industrialization versus agriculture; external debt burdens; political instabilities; rapid population growth; and many other factors which have combined with crippling effect. During the last two and a half decades, some thirty-five African countries have obtained independence. Consequently, these years have also witnessed a considerable growth of new institutional structures, and expansion of the size and role of the public sector. In the context of the growing crisis, the institutions for planning and management, and the administrative capabilities of Governments have been severely burdened. Indeed, the whole question of availability and organized and effective use of human resources for development can be seen as a major contributing factor to the problems facing African countries, influencing both the present situation and the longer-term development prospects.

30. The magnitude of the African crisis calls for national efforts as well as international assistance on an unprecedented scale. Following upon the General Assembly Special Session on Africa, the Governing Council, at its thirty-third session, will have the opportunity for generating further impetus for the undertakings required.

31. Several decisions of the Council in 1984 and 1985, relating to Africa, provide the frame for recent special efforts by DTCD through projects executed on behalf of its funding partners or supported from the Regular Programme. Of these, actions of the Department in relation to relevant portions of decisions 85/21 and 85/36, concerning improvement of administrative and managerial capabilities and guidelines for the use of Regular Programme resources, were considered by the Governing Council at its special session in February 1986 (see document DP/1986/7 and decision 86/6).

32. In its decision 85/12, the Council encouraged UNDP, in conjunction with recipient Governments and executing agencies, to further orient programmes for the greatest impact on the priority needs of African countries, including assistance for the reinforcement of management capacities and the establishment of national strategies for rehabilitation, reconstruction, and development.

33. In the context of this and other intergovernmental and interagency concerns (including resolution 1985/10 of the Economic and Social Council, on public administration), DTCD, UNDP and the Economic Commission for Africa have jointly contributed to a working group to elaborate a framework for further United Nations activities to strengthen administration and management capabilities in Africa. The group, which reported its conclusions to the Director-General in January 1986, formulated a special action programme focusing upon: (a) the undertaking of national technical co-operation assessments and programmes (NATCAPs) at the request of Governments; (b) the identification of areas of concentration at the country level, including various aspects of management, staffing, training and performance of the public sector, and with special attention to countries with severe financial problems; and (c) the further support of existing information and training activities at the regional level. With UNDP as lead agency, the special action programme will serve as a basis for intensifying United Nations activities, assisting in the mobilization of additional resources, and focusing attention on priority areas for assistance by the United Nations and other concerned organizations.

34. The Department is already collaborating with the Regional Bureau for Africa/UNDP in a new effort aimed at assessing the development planning experience and needs in a number of countries, and at strengthening the planning capability of Governments, upon request. Also, DTCD interregional and technical advisory missions were undertaken in 1985 to assist several Governments in developing their planning processes and techniques.

35. In the field of public administration and finance, concepts are being developed for better means of addressing several major types of weakness, focusing upon: (a) problems related to structural arrangements, including those of central institutions concerned with resource management; (b) insufficient articulation of administrative processes, such as budgeting, financial management, resource allocation, and measures to increase productivity and ensure accountability; and (c) acute shortages of functional/technical personnel. DTCD is working with selected resident representatives and Governments in promoting closer examination of issues, leading to the formulation of new projects. As part of this, DTCD interregional and technical advisers undertook missions to several countries in 1985, to discuss plans for the future. The Department is furthermore developing new packages of practical instruction modules, covering training for senior management in scientific and technical fields; the use of computers in public administration; and the provision of working-level skills in inventory control, budgeting and similar subjects.

36. In all its fields of sectoral competence, the Department is undertaking projects of importance to the resolution of the problems in Africa. Without going into detail, as this is provided in addendum 1, several topics should be highlighted. In view of the fact that severe droughts have been a main precipitating factor for crises in a number of countries, compounding other pre-existing difficulties, provision of water supplies, especially in rural areas, is an obvious focus of DTCD concern. At the same time, projects for traditional and new/renewable sources of energy have signal importance, both in relation to the foreign exchange situation for imported requirements, and in relation to further desertification resulting from denuding of the environment. Efforts toward more systematic exploration and development of mineral resources offer the possibilities of materials and revenue for the future, if these can be linked to investment. Improvements to the public works infrastructure, in terms of both maintenance and coverage, are important factors to relief efforts and to the transportation networks facilitating long-term development. DTCD work in the fields of statistics, population, and cartography and remote sensing contributes vital information for planning, analysis and decision-making.

37. Nevertheless, the point mentioned in para. 10 deserves reiteration and expansion here. Although budgets and expenditures for DTCD-executed projects in Africa increased in dollar terms from 1984 to 1985, the growth was lower than for most other regions. Projects in Africa remain the largest portion of the DTCD total programme, but in percentage terms the African share has been declining for several years. To the extent that problems of absorptive capacity and implementation difficulties are significant factors in this, their existence underscores the need for strengthening the planning, management and administrative capabilities of these countries. In the development planning sector, the DTCD data for project budgets and expenditures showed only modest growth in 1985 for Africa, despite the common concern for reinforcement. In the public administration sector, where the African share in past years has comprised nearly half of the total, the 1985 data showed a marked decline.

38. Despite the concern and support expressed in the intergovernmental fora and in UNDP, the Department remains sensitive to the fact that the first condition to assisting African countries in development planning, public administration and the other sectoral fields, is Government reaffirmation that these subjects have vital importance to the success of emergency and long-term development endeavors, necessitating commensurate efforts and allocations from the funds available for technical co-operation. Unfortunately, these priorities have tended to become obscured amidst the urgency of many immediate needs. It is in this context that the focus, by the High-level segment of the Council, upon human resources development (involving, as it does, institutional development) is especially timely and pertinent to the African situation. Similarly pertinent is the country programme exercise for the fourth cycle, with new documents to be considered at the thirty-third and thirty-fourth sessions of the Governing Council.

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B. Pre-investment and investment follow-up

39. As the linkages between DTCD and the financing institutions have strengthened (see sections VII C, D and E below), the integration of pre-investment and investment follow-up activities has become more effective. In fact, in a well co-ordinated investment project, technical assistance, training, feasibility studies, investment promotion and actual investment may be planned concurrently. In a major project to rehabilitate the Ghana State Gold Mining Corporation, in which the World Bank has invested \$35 million, DTCD is providing technical assistance to the State Gold Mining Corporation and is assisting in the evaluation of commercial joint venture proposals. Similarly, in Haiti and Jamaica, where DTCD projects for the exploration of non-metallic minerals are continuing, negotiations are already being pursued with North American investors.

40. This trend of integrated investment support activities is evident in other fields as well. At the same time that geothermal investigations are being undertaken by DTCD in Djibouti and Ethiopia, substantial external investments are being made in a pilot plant by the World Bank, the European Economic Community, the Organization of Petroleum Exporting Countries (OPEC) Fund, and the African Development Bank. Technical assistance is also being provided to water and energy projects in India and Bangladesh, to which the World Bank has already made commitments.

41. Collaboration with the UNDP Pre-investment Development Office has continued in identifying projects for further attention and in tabulating investment commitments, as well as in active promotion of investment in relation to UNDP/DTCD projects. In this connection, missions to Cape Verde and Mali in 1985 were financed by the UNDP Investment Office to prepare cost-recovery programmes for water projects which should then attract external investors.

42. The in-house DTCD investment seminars have continued with participation by experts from the World Bank, UNDP, United Nations Industrial Development Organization (UNIDO), the Inter-Arab Investment Guarantee Corporation and the Equator Bank. In addition, training programmes for DTCD staff have taken place in the use of the World Bank financial analysis programme (COMPASS), and of a programme (PROPSPIN) developed by UNIDO, which have been provided to the Department.

43. Investment commitments in 1985 relating to UNDP-financed projects executed by DTCD amounted to \$2.8 billion, a record amount. Details are shown in addendum 3, table 15.

C. Women

44. In its decision 85/21, the Governing Council requested that an implementation strategy, to strengthen further the capability of DTCD to deal with issues of women in development, be developed for presentation at its thirty-third session. The Department was invited to co-operate fully with UNDP in this.

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45. DTCD has participated in the preparation of the UNDP Programme Advisory Note on the subject, taking into account the recommendations in the Nairobi Forward-looking Strategies for the Advancement of Women to the year 2000, adopted at the 1985 Women's Conference and endorsed in General Assembly resolution 40/108. Upon adoption, this will also serve as a guide for the future work of the Department. DTCD welcomes the approach taken in the development of the UNDP strategy, which emphasizes integration of women into development activities at all levels, including staff training, country programming, roundtable meetings, project design, monitoring and evaluation, fellowships, terms of reference for experts and consultants, and grassroots and NGO participation (see document DP/1986/14). The Department also sees potential for interagency collaboration, for example in the area of staff training, bearing in mind that ultimately the implementation of new efforts will be agency-specific. Parallels may be drawn with the mutually beneficial work being done under the leadership of the Central Evaluation Office/UNDP.

46. As previously reported, DTCD has set up a network of focal points within its branches to facilitate application of the women's theme, and activities in the various sectoral fields have been further stimulated thereby. Preliminary guidelines, already prepared, will be refined in keeping with the strategy forthcoming from UNDP. The Department plan is to continue emphasizing pragmatic actions, including the addition of women's components to planned and ongoing projects, in the context of national priorities and requests. The Regular Programme of Technical Co-operation provides one source for pilot activities in this area. The departmental task force will further develop a verification system for implementation of such elements. Emphasis on women will also be reflected in the DTCD Headquarters Procedures Handbook and the Manual for Chief Technical Advisers (CTAs), which will be further revised. Checklists to be completed by CTAs, technical advisers, and recruitment and fellowships officers will be designed to serve both as a project support mechanism and as a departmental training tool.

47. As DTCD is aware of the importance of multidisciplinary approaches and sharing of experiences, co-operation with other organizations will be emphasized. The Department has been working for some time with the units in UNDP and UNFPA on the promotion of women's interests, as well as with the United Nations Development Fund for Women (UNIFEM). Collaboration with the Branch for the Advancement of Women/DIESA will also be strengthened. On specific issues such as water resources, DTCD has been co-operating with United Nations Children's Fund (UNICEF), World Health Organization (WHO) and the United Nations International Research and Training Institute for the Advancement of Women (INSTRAW) with regard to educating women on health-related aspects of water and sanitation.

48. DTCD is mindful of the need to increase the number of qualified women serving as experts in technical co-operation projects. Its Technical Co-operation Recruitment Service roster of international experts and consultants currently contains the names of about 700 women. Although the Department has been making efforts to increase the number of women appointed to project posts, the rate has so far been low (see section on recruitment in addendum 1). Further actions are under way to improve this situation: the Department is urging national recruitment services and other recruitment sources to recommend more women for inclusion in the roster; DTCD is also

planning a joint effort with the Branch for the Advancement of Women/DIESA to identify more such possibilities. All DTCD substantive units are to give special consideration to the evaluation of women candidates for project posts, so that they may be included among the nominees to Governments. Likewise the standard covering letters for submission of nominees will include a paragraph drawing the attention of Governments to the legislative mandates on the promotion of the role and participation of women in development.

49. The Department took an active role, both in the preparations and at the sessions themselves, in the World Conference to Review and Appraise the Achievements of the United Nations Decade for Women, held at Nairobi in 1985. Information was provided on the work in which DTCD has been engaged, the relevance of its sectoral competences and institution-building approach, and its aims for the future in response to the recognized needs. Two brochures were distributed at Nairobi: one was on the very successful project on self-reliance for rural women in Swaziland, which has continued for several years and is drawing interest from several other countries. The other brochure described the range of DTCD project activities for the integration of women in development, through encouraging women entrepreneurs, creating support networks in rural communities, adopting technology to local needs, training, improving statistics on women, and promoting women's interests in policy-making. For the "Tech-and-Tools" exhibit, the Department also contributed a special wheelbarrow for the easier transport of water jugs, made from discarded motorbike parts, which had been designed by village women under a DTCD-executed ground-water project in Burkina Faso. Of eight projects selected by the United Nations Development Fund for Women for special honours on the occasion of the Conference, two were projects executed by DTCD.

50. The Department expects to reinforce further its contribution to the collective efforts on behalf of women, through the mechanism of the implementation strategy now being formulated.

VI. REGULAR PROGRAMME OF TECHNICAL CO-OPERATION

51. Addendum 1 of this report contains sector-by-sector information on DTCD activities financed from the Regular Programme in 1985. The range of such work, for which the Governing Council reaffirmed its support in decision 85/21, covers interregional advisory services, training programmes and pilot projects, in response to the requests of developing countries and the priorities of intergovernmental mandates. At its special session in February 1986, the Governing Council also reviewed the guidelines for the Regular Programme, in relation to the emergency situation in Africa (see decision 86/6).

52. One of the main functions of the Regular Programme is to serve as seed money. One such application is through provision of advisory services to Governments to identify needs, to formulate projects, and to help in establishing contact with potential funding sources. Another is through pilot projects which test new approaches and, once viability has been proven, serve to attract other funding on a larger scale. A third is through complementarity or co-financing with other sources, thereby broadening the

access of developing countries to external support. It is worthwhile to examine some representative examples from recent years, as use of the Regular Programme for seed money has a notable multiplier effect.

53. An interregional pilot project based in Chile has developed an investment project data bank programme in which a number of developing countries have shown considerable interest. Through advisory missions, DTCD has assisted eight other countries in exploring possibilities for establishing similar data bank programmes, for formulating appropriately adapted projects, and for obtaining financing from the Inter-American Development Bank (IDB) and other development banks. An extension of this project is now being planned in Africa and will work closely with the African Development Bank (AfDB) (see paragraph 72).

54. A pilot project for water resources development in the Caribbean islands, funded under the Regular Programme and dealing with all relevant aspects of water resources exploration, assessment, planning, development, management and conservation, has been very successful in obtaining other external financing for identified needs. The project, itself later largely funded by UNDP, has helped generate some \$30 million of capital investments as of the end of 1985, from sources including the Caribbean Development Bank, the European Development Fund, the Canadian International Development Agency (CIDA), the United States Agency for International Development (USAID), and the OPEC Fund. Using Regular Programme resources, DTCD is now experimenting with the same approaches in meeting water resources needs of small islands in the Pacific.

55. An advisory mission to Somalia, in connection with the country programme review meeting, assessed public administration needs and proposed several projects. Of these, a large-scale project on tax policy and revenue administration, aimed at improving tax administration and with emphasis on training, will now receive UNDP funding. Advisory services to Guinea have helped to prepare an interim recovery programme for the country as well as an investment programme. This has involved assistance in establishing an overall strategy and in subsequently identifying and formulating specific investment projects. The effort is being carried out in conjunction with UNDP and the World Bank. In Mali, again in the context of a roundtable, DTCD assisted in drawing up twelve mini-programmes which have been accepted for financing by donors.

56. In the Cayman Islands, an advisory mission assisted the Government in negotiating with a private investor an agreement which now serves as the basis for a \$5 million petroleum-exploration undertaking. Assistance to the Government of Madagascar in negotiating a coal agreement has resulted in private investment of almost \$1 million for exploration. In Liberia, possibilities that were identified by DTCD advisory missions have led to bilateral assistance to establish more effective water drilling capacity. The missions gave advice on specific equipment and training needs, and drew up equipment specifications for the introduction and application of new high-efficiency technology.

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57. An interregional programme for the assessment of hydropower development potentials, begun and continuing with Regular Programme support, has brought in co-financing from several bilateral donors. Pre-investment and investment follow-up activities are now under way in over twenty countries in relation to the potential sites identified under the programme. The value of this is currently estimated to be at a level of more than \$100 million in commitments.
58. Aspects of the work of the Department for the promotion of TCDC may also be seen in terms of using the Regular Programme for seed money purposes. This occurs where, through exchanges and meetings, countries are helped to ascertain and make use of the support which may derive from collaboration with other developing countries. The on-the-job statistical training programme is a good example. As described in paragraph 62 of addendum 1, this is leading to a strengthening of statistical services in a number of countries, and to the enlargement of a pool of expertise available for further assistance to other countries.
59. To ensure the effective use of Regular Programme resources for catalytic and complementary purposes, activities funded by it are carried out with close reference to all other endeavours in the Department, especially those involving co-operation with other agencies and organizations.
60. The Governing Council, in its decision 85/21, supported the use of the Regular Programme to cover the costs of project identification, appraisal and formulation on a cost-sharing or reimbursable basis. In addition to normal advisory assistance to Governments in the preparation of suitable projects, and assistance for the country programming exercises and roundtables, DTCD staff are accordingly now undertaking project formulation missions in conjunction with identification or appraisal missions of the World Bank and other financing institutions. Governments are finding these missions very helpful in the attraction of new investment (see sections V.B and VII.C, D and E), and the financing institutions are increasingly willing to reimburse fully the travel and man-month costs of DTCD staff involved. Agreements have so far been made with the World Bank and IDB on this basis.
61. On the other hand, the requests of Governments to help identify bankable projects or to assist in negotiations with financing institutions are becoming so numerous that the Regular Programme funds available for this purpose are insufficient. It may, therefore, be appropriate to consider what other resources could be tapped to generate increased opportunities for undertaking pre-investment advisory services.

VII. COLLABORATION WITH OTHER ORGANIZATIONS

A. UNDP

62. Illustrated throughout this report are elements of the important collaboration with UNDP. It is natural that the subject has particular significance. DTCD is the second-largest executing agency for UNDP; the technical co-operation programme of the Department overall, the third-largest in the United Nations system, receives almost seventy per cent of its funding from UNDP resources. In addition, the UNDP resident representatives function on behalf of the Department, since DTCD alone among the large executing

agencies has no separate field representation. Consequently, the Department is very much conscious of the oft-quoted spirit of partnership, and of the common concern for effective system-wide performance, reiterated most recently in Governing Council decisions 85/4 and 85/34.

63. Given the range of disciplines under its mandate, and its heavy concentration on the development of institutional and human resources, DTCD is in a good position to contribute positively to the design of workable concepts, methods and activities in many critical areas for development. It is already closely involved with UNDP in certain initiatives, for example, in the formulation and analysis of planning and management options in response to African emergency and long-term development needs; in leading the preparations for roundtables; in furnishing the services of technical staff for UNDP missions; or in assisting some Governments to deal with the co-ordination of external assistance. The Department can also contribute much to the implementation of the new human resources development initiative, as well as to new work in areas of high technology.

64. In the above context, the question of improved measures for project identification and formulation, discussed in document DP/1986/13, is of considerable interest. The recent shift of approach stated there with regard to use of the UNDP Project Development Facility (PDF), according to which executing-agency technical staff would be responsible for PDF-funded project formulation missions, represents a partial reassessment of the relative strengths and purposes of funding and executing agencies. On the other hand, the proposal that UNDP should take on a much more active role in project identification, with an ensuing reinforcement of technical capability, may require further scrutiny.

65. Another approach, with perhaps greater merit, would be to focus more upon joint UNDP/agency efforts to ensure the elaboration of good quality projects, including strengthened UNDP field office guidance to agency missions for identification of possibilities in keeping with Government priorities, and UNDP sponsorship of a greater number of project identification task forces composed of national and agency specialists. Building upon the UNDP field office knowledge of country specifics and priorities, and upon the agency capacities in the full range of technical specializations required, such measures generate a wide array of concepts and proposals for further consideration by Governments, UNDP field offices and UNDP headquarters. Where already employed, this approach has a generally well-proven effectiveness.

66. The point should also be reiterated that at the general level of development planning, evaluation and co-ordination, DTCD has substantive expertise which should be fully utilized by UNDP. The advisers within the Department, together with the network of development planning field projects - for the most part funded by UNDP - could serve as a reservoir for assistance which might be tapped at minimal additional cost.

67. Document DP/1986/13 indicates that various considerations and proposals are under review on project identification and related matters. The above comments are accordingly offered as a contribution to deliberations on the subject.

B. UNFPA

68. DTCD continued in 1985 to make available to UNFPA its technical services to participate in missions for needs assessment, project development and evaluation. Also, as part of a study of 30 years of United Nations training in the field of population, covering more than 3000 former fellows, the Department, in collaboration with UNFPA, is examining the major qualitative outputs of trainee experience and the impact this has had on the countries that nominated the trainees.

69. The Department collaborated with UNFPA and DIESA, at the request of the Director General, in the preparation of a report to be reviewed by the Economic and Social Council and the General Assembly in 1986, on the strengthening of the United Nations system in the field of population (E/1986/18; A/41/179). The report is part of the follow-up to General Assembly resolution 39/228 on the International Conference on Population, 1984. The report includes recommendations on measures to improve co-ordination, performance, and the more systematic use by UNFPA of the technical and professional expertise available in the United Nations and the United Nations system in project formulation, development, appraisal, approval and execution. Such measures have particular importance in view of the need DTCD sees for closer co-operation and greater sharing of information between the two organizations, both at headquarters and in the field. A cause for concern in this connection is the decline in UNFPA-financed projects being assigned to the Department for execution in areas within its mandate and which it has traditionally undertaken for UNFPA.

C. World Bank

70. In keeping with several Governing Council decisions on the subject, collaboration with the World Bank has increased substantially over the past few years. Consultations between World Bank loan/project officers and their counterparts in DTCD are now conducted on a routine basis. DTCD staff are often being used on World Bank project appraisal, preparation and review missions. All World Bank appraisal reports are automatically sent to the Department, while DTCD project reports in which the Bank expresses an interest are shared with its staff on a request basis. DTCD has been provided access to COMPASS, the World Bank financial analysis programme, through a loaned terminal and appropriate staff training. DTCD staff have participated in the UNDP/Economic Development Institute (EDI) investment course, and have served as instructors in the EDI courses in Washington and in a regional workshop in Costa Rica. DTCD, is or expects to be, involved with the World Bank in the execution of mining projects in Burkina Faso, Colombia and Ghana; energy projects in Bangladesh and Botswana; water projects in India and Nepal; planning projects in Benin, Guinea, Lesotho, Niger, Rwanda and Zaire; development administration projects in Argentina, Côte d'Ivoire, Gambia, Guinea, Mali, Peru, Uganda and Zaire; statistics projects in Brazil and Niger; and training projects in Hungary and India. These projects are financed by the World Bank alone, or together with UNDP through cost-sharing arrangements. The total of World Bank funds made available in 1985 for use in DTCD-executed projects amounted to \$2.4 million.

71. The Under-Secretary-General, the Assistant Secretary-General and other DTCD senior officials visited Washington on various occasions during 1985 for discussions with the senior management of the World Bank on ways to further expand co-operation. This is already resulting in prospects for collaboration in new areas and technical fields.

D. Regional development banks

72. In September 1985, a co-operative agreement was signed with the African Development Bank (AfDB). The president of AfDB is seeking to expand the direct economic advisory services provided to borrowers, and DTCD has agreed to set up such a unit together with AfDB in Abidjan. An adviser on the establishment of investment project data banks has already been appointed; other experts in providing short-term policy advice are envisioned, as funds become available.

73. After a review of the AfDB pipeline, a number of projects in energy, water, transportation, and mining have been identified. Follow-up missions, to prepare the terms of reference of a regional energy programme for the Southern African countries, and to provide technical assistance to the Southern African Development Co-ordination Conference (SADCC) mining secretariat, have already taken place.

74. A DTCD technical adviser visited the AfDB offices in Abidjan in January 1986 to demonstrate the new energy planning software package of the Department, ENERPLAN, at the invitation of the Public Utilities Division. Great interest was expressed in obtaining further training and a copy of the software package for Bank staff as well as in incorporating it into AfDB energy-sector loans. AfDB staff also attended a DTCD water resources computer application workshop in Kenya, and expressed interest in obtaining more information on several DTCD pre-investment ground water and surface water projects. The AfDB Public Utilities Division has recommended several projects for DTCD execution, and DTCD has submitted detailed proposals for projects in Ethiopia, Guinea-Bissau, Lesotho, Mali and Sao Tome and Principe. Six-monthly review meetings are scheduled, so it is expected that co-operation between the two institutions will further grow.

75. Collaboration with the Inter-American Development Bank (IDB) is already established on a continuous working basis. DTCD-executed projects in Argentina, Bolivia, and Chile are being financed under IDB loans and grants. An annual review of pipeline projects is also scheduled with the IDB to ensure close collaboration and to maximize technical co-operation resources in each country. (See also para. 53)

76. Discussions have continued with the Asian Development Bank (AsDB) regarding arrangements by which DTCD would more regularly undertake identification and appraisal missions on behalf of the Bank. In the meantime, collaboration with the AsDB is continuing on an ad hoc basis.

E. Bilateral sources

77. Various forms of co-operation with bilateral sources were strengthened in 1985 as an outgrowth of formal agreements, consultations and requests. Additional resources have thereby been made available for projects and seminars which could not otherwise be financed. As part of this, cost-sharing by countries with limited IPFs has made it possible for them to benefit on a larger scale from the range of technical and administrative services which DTCD is able to provide.

78. DTCD signed a co-operation agreement with the Government of Italy, whereby suitable projects would periodically be submitted to them for funding consideration under cost-sharing arrangements. Already several have been approved: for Bolivia, China, Ethiopia, Honduras and Kenya. A memorandum of understanding was also signed with the Government of Iceland in order to maximize the use of their expertise in the geothermal and hydro-power fields. Japan has contributed funds to a workshop and the development of micro-computer software for energy planning, to the DTCD mini-hydro survey programme and to the United Nations Centre for Regional Development.

79. A number of possible joint projects with Sweden were identified in 1985. Sweden already is contributing to the DTCD hydropower evaluation programme, and is providing significant funding for the rehabilitation of diesel locomotives in Viet Nam. Norway also is a co-financer of the mini-hydro programme and is considering a supplemental feasibility study contribution. Canada provided funds in 1985 for a seminar on the role of surveying, mapping and charting in country development programming.

80. Many of these same countries are, in addition, financing national DTCD-executed projects through UNDP cost-sharing arrangements or contributions to special voluntary funds. Third-party cost-sharing arrangements, which are financed by Member States directly or through a variety of international funds, now exist in fourteen countries.

81. Recipient bilateral trust fund and cost-sharing projects are also increasing. Twenty-three countries are now involved, including ten among the Arab States, ten in Latin America and the Caribbean, and three in Africa.

82. In connection with the drought crisis in Africa, the earthquake in Mexico and the economic crisis in Bolivia, DTCD officials had extensive contacts with foundations and other private fund-raising organizations during 1985 (see Chapter VIII, below). As a result, considerable direct non-governmental assistance was provided to the affected countries. Also, the Ishida Foundation of Japan is providing funds for a case study and workshop on integrated environment and socio-economic planning.

83. In addition, agreements between bilateral donors and United Nations funding agencies have resulted in projects executed by DTCD at a much higher level in 1985 than in 1984. Most notably, support has increased for activities through UNDP by the United Nations Capital Development Fund (UNCDF) and by the Trust Fund for Developing Countries Afflicted by Famine and Malnutrition, as well as through the UNFPA trust funds for census activities in Somalia and Colombia.

VIII. RESPONSE TO OTHER MANDATES

84. In addition to its programmes of technical co-operation, the Department continued in 1985 to provide support to the Secretary-General in the implementation of mandates contained in the resolutions and decisions of the General Assembly and the Economic and Social Council. Of particular significance were endeavours to mobilize assistance to Bolivia and Mexico.

85. Bolivia. Throughout 1985, the Assistant Secretary-General/DICD continued as the Special Representative of the Secretary-General for Bolivia, with the Department providing technical back-up as required. While the need to promote longer-term development remained pressing, the continuing severity of immediate economic and financial problems obliged attention to focus, as previously, on remedying the short-term situation. Innovative approaches were adopted to address this almost archetypal case of the dichotomy between debt and development, which is exacerbated by the calamitous fall in prices for tin and natural gas, the staple export commodities. Following the introduction by the newly elected Government of a sweeping programme of economic adjustment and institutional reform measures, the Secretary-General in October launched an appeal for an emergency fund of \$150 million. This was to consist of short-term swap loans between central banks to support the stabilization programme with urgently needed funds, pending the mobilization of financial assistance through normal channels. Commitments totalling some \$105 million have been received from Argentina, Brazil, China, Colombia, Spain, Venezuela and the Andean Development Corporation, plus a contribution of \$5 million worth of food from Canada.

86. Another development related to the adoption by the General Assembly of resolution 40/452, stipulating the transfer of \$8 million to the Bolivia Account of the Trust Fund for Special Economic Assistance Programmes, from the United Nations Special Fund established some years earlier. Discussions on the use of this began immediately. Since the Government indicated preference for the mining sector, a DICD technical mission, financed from the Regular Programme, was sent to Bolivia in January 1986. Various consultations have been taking place since, on a continuing basis.

87. Mexico. In the aftermath of the devastating earthquakes of September 1985, and following adoption by the General Assembly of resolution 40/1, the Secretary-General designated the Assistant Secretary-General/DICD as the focal point at headquarters for co-ordinating multilateral assistance to Mexico, with the United Nations Resident Co-ordinator as the in-country focal point.

88. The Assistant Secretary-General undertook an initial mission in early October whereby, in consultation with Mexican authorities, a strategy was worked out encompassing the establishment of a framework for co-ordination within the National Reconstruction Commission set up by the President; definition of the various stages of the operation, and of the forms of assistance that might be expected; and definition of the further role of the United Nations system. A first meeting with Permanent Missions was organized by the end of October. Constant contact was established with all United Nations agencies, many of which have sent missions and drawn up projects in support of Mexico's reconstruction and rehabilitation efforts; contact was also established with non-governmental organizations. By the end of 1985, the Government had compiled a list of urgently needed projects in the priority sectors of health, education and communications, totalling some \$414 million, of which \$375 million was to be sought from external sources. This was circulated as the basis for a second donors' meeting in February 1986. The Assistant Secretary-General's intensive efforts to obtain financing for these activities are continuing.

