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OPERATIONAL ACTIVITIES FOR  
DEVELOPMENTCOMPREHENSIVE POLICY REVIEW OF **OPERATIONAL** ACTIVITIES OF THE  
UNITED NATIONS SYSTEMNote by the Secretary-General

1. The Secretary-General has the honour to submit herewith the report of the Director-General for Development and International Economic Co-operation for the triennial policy review of the operational activities for development of the United Nations system. The report has been prepared pursuant to General Assembly resolutions 41/171 of 5 December 1986, 42/196 of 11 December 1987 and 43/199 of 20 December 1988.
2. As part of the triennial review, the Director-General is organizing a series of integrated country reviews to be undertaken in July 1989. The outcome of these reviews, together with policy options and recommendations on the issues covered by the present document, will be included in a supplementary report to be submitted to the General Assembly at its forty-fourth session.
3. The Assembly will also have at its disposal a series of technical papers on major items, including objectives for operational activities, national capacities, diversification of procurement, issues relating to the central funding concept, programming of operational activities and the role and effectiveness of the resident co-ordinator system.

\* A/44/50/Rev.1.

\*\* E/1989/100,

4. The annual updating of statistical information providing comprehensive data for the year 1967 will be issued as an addendum to the present report. Preliminary statistical information for the year 1988 will be made available to the **Assembly**.

5. In its resolution 421196, the General Assembly invited the governing bodies of the **organizations** of the United Nations development **system** to provide the Economic and Social Council and the General Assembly with **their** views on the conclusions and recommendations contained in the report on case-studies on the functioning of operational activities for development of the United Nations **system**, prepared by **Mr. Kurt Jansson (A/42/326/Add.1-E/1987/82/Add.1, annex)**. The outcome of the reviews conducted **in** the first half of 1968 was duly reflected in document E/1966/76, containing the response of individual governing bodies, and **A/43/426/Add.3-E/1988/74/Add.3**, presenting a consolidated report. **Supplementary** information has now been provided by the governing bodies of the United Nations Conference on Trade and Development and the United Nations Industrial Development **Organization**. It is being made available as E/1989/117. In view of the ongoing nature of the review process, and particularly of the expressed intentions of several governing bodies to return to the issues at a later stage, further information will be submitted to the Economic and Social Council as available.

ANNEX

Report of the Director-General for Development and International  
Economic Co-operation on operational activities for development

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## TECHNICAL PAPERS

- I. **A general framework of broad objectives for operational activities for development (background paper by a consultant).**
- II. **Strengthening capacities of recipient countries to plan, implement and co-ordinate development policies and programmes and to determine and meet technical co-operation needs (observations and recommendations by the United Nations Development Programme requested by the Director-General).**
- III. **Increasing procurement from developing countries and under-utilised donor countries (report by independent consultant).**
- IV. **Issues relating to the implementation of the concept of central funding of technical co-operation activities (report by independent consultants).**
- V. **Programming of operational activities of the United Nations system (report by an independent consultant).**
- VI. **Simplification, decentralization, and harmonization of rules and procedures (issues paper prepared by the Office of the Director-General).**
- VII. **Structures for co-ordination at the country level (excerpt from relevant resolutions and reports):**
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## I. INTRODUCTION

1. The triennial comprehensive policy review **undertaken** in 1966 on the **basis of** the report of the **Director-General for Development and International Economic Co-operation of** the Secretariat (A/41/350-E/1966/106, **annex**) resulted **in** the adoption of General **Assembly** resolution **41/171 of 5 December** 1986. That **resolution** provided a **basis for an** in-depth **review of some of** the key **organizational** issues relating to the efficiency and effectiveness, coherence **and** co-ordination of operational **activities, particularly** those financed on a grant **basis** in support of development efforts at the country level.

2. Seven country case-studies **on** the functioning of **operational** activities for development of the United Nations system were **organised in** mid-1987. The **outcome** of the examination by the General Assembly of the recommendations based **on** these studies, as contained in the "**Jansson report**" (A/42/326/Add.1-E/1987/82/Add.1), was reflected in Assembly resolution **42/196 of** 11 December 1987. Together, the recommendations and the resolution provided the **basis** for reviews by the governing bodies **of most of** the **organizations** of the United Nations **development** system (A/43/426/Add.3-E/1988/74/Add.3 and E/1968/76). They also provided the framework for a series of studies undertaken by independent consultants on behalf of the Director-General, and for technical reviews by **organizations of** the system aimed at establishing high-level consensus as a **basis** for implementation.

3. **As** requested by the General Assembly in resolution **43/199 of** 20 December 1988, the present report presents information on the progress achieved to date, particularly with respect to the programming of operational activities and improved co-ordination at the country level. It contains an analysis of other issues such as the central funding concept, the simplification and harmonisation of procedures, and decentralisation. Each section summarises the findings of the studies or reviews undertaken over the past year, indicates the work undertaken in interorganizational bodies, especially the Consultative Committee on substantive Questions (Operational activities) and the Joint Consultative Group on Policy (JCGP), and indicates the degree of consensus that is emerging **within** the system.

4. The General Assembly also requested that the interrelationships among problems and factors be set out: in the current triennial policy review. To achieve this, and to ensure that both the views of developing countries and an adequate reflection of the complexity and diversity of their **situations** be **made** available for the policy review, the Director-General is organizing, with the **support** of extrabudgetary **resources**, a series of integrated country reviews to be undertaken in July 1989. The **outcome** of these reviews, together with further policy options and specific **recommendations**, including possible approaches to their implementation, **will** be presented by the **Director-General** to the **General Assembly** at its forty-fourth **session**.

5. In addition to the organisational **and** procedural **aspects** that have **received** particular attention over the past two years, General **Assembly resolution 41/171** raises two **major** substantive issues. First, the Director-General is requested to

provide a general framework of broad objectives for operational activities for development within the United Nations system, in accordance with General Assembly resolution 32/197. Second, he is also requested to include in his report a specific chapter containing information about measures taken by organs, organisations and bodies of the United Nations system aimed at strengthening the capabilities of the recipient countries in the preparation and implementation of programmes and projects of technical co-operation. The analysis of these two subjects has been placed at the fore of the present report. Comments and recommendations on these issues could constitute a sound basis for the general orientation of the operational activities of the United Nations development system.

6. In the case of a general framework of broad objectives, subsections A, B and C of section II of the present report represent a preliminary contribution to preparations for the international development strategy for the fourth United Nations development decade. The theme highlighted in subsection A may also be of interest to the special session of the General Assembly on international economic co-operation, to be held in April 1990. Subsection B analyses past experience in setting and implementing goals and strategies.

7. As for subsection C of section II on national capacities, special emphasis is placed on greater recognition of existing potential and on the adaptation required if the activities undertaken by the United Nations system are to reflect the evolution in capabilities within the developing countries. In addition, the section on technical co-operation among developing countries and on the diversification of procurement deal with means of drawing more fully on the collective capacities of the developing countries.

8. As in the case of the other items selected for the present report, technical papers are also being made available. Both the summaries and the papers should be read in conjunction with other reports relating to specific aspects of operational activities published since the last review. For example, information has been presented in separate reports 1/ on the substantive themes identified in recent resolutions on operational activities, including the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 (General Assembly resolution S-13/2, annex), the Substantial New Programme of Action for the 1980s for the Least Developed Countries, 2/ and the role of women in development. Those reports focus principally on the substantive action taken by the organizations of the system. They underline the relationship between the analytical policy and normative work of the United Nations system and the significant contribution that operational activities can make to the realisation of broad objectives adopted by the international community.

9. In his annual report for 1986, (A/43/426-E/1989/74, annex) the Director-General indicated his intention to launch a broad study of emerging trends in operational activities and their implications for the United Nations system. Several developments over the past year, including the initiatives taken by many organisations to review their role in the 1990s, have confirmed the usefulness of such a review. The proposal is examined in greater detail in the opening chapter of the present report, which deals with issues relating to the operational role of the United Nations system in the 1990s.

10. The implementation of the recommendations resulting from the last comprehensive **policy** review will continue to receive priority **attention**. As progress **on specific items** has shown, the organisations of the **system now** stand ready to respond, in a concerted and systematic **manner**, to **the** intentions of member States as expressed over the past **decade**. At the same time, if the United Nations **system** is to play an effective role in a rapidly changing **and increasingly** complex international environment, it is considered equally important to review alternative **scenarios** for the 1930s and to identify areas in which innovative approaches and further adaptation will be required. In this respect, it is suggested that the present **report** be considered as the starting point **for** a broader, longer-term and **more** substantive review of operational activities that member States might wish to undertake. Such a review would reflect the outcome of the special session of the General Assembly and progress **in** the elaboration of the international development strategy, as well as further analytical work by organisations of the **system**.

## II. MAJOR CHALLENGES FOR THE 1990s

### A. Role and functioning of the United Nations development system in the 1990s

#### 1. Situation and prospects for the developing countries

11. The world economy in the 1980s has grown more slowly and **shown** greater disparities in **national** performance than over the previous two decades. Per capita income grew at only 1.2 per cent per annum, just over half the rate for the 1970s and only a third **of** that of the 1960s. The slowdown has affected all major groups of countries, but the developing countries have borne the brunt of the decline in growth, with the result that the income gap between the developed and developing countries has continued to widen.

12. For **most** developing countries, the **1980s** have indeed been "a lost decade for development". The fight for survival, including the quest for solvency and the continued **search for** solutions to the increasingly dominant problem of external debt, has diverted economic and political effort from the pursuit of long-term development objectives. Low economic growth rates - often negative in per capita terms - have constrained the ability of Governments to improve the well-being **of** their populations. Even action to preserve **basic social achievements** has been taken second place. The adoption **of** policy reforms has not been fully **reflected** in improvements in the external environment or in the critical support required for **their** implementation.

13. This discouraging state **of** affairs, characterised by worsening economic conditions, deteriorating social **services** and, in **some cases**, the erosion of political stability, has affected **most** countries in Africa, in Latin America and in several parts of **Asia**. It has been highlighted by contrast with the healthy economic growth rates and export competitiveness of **some** countries in South and East **Asia**. These "success stories" have been welcomed as evidence that collective and individual effort can bear fruit, even in **an** inclement external environment. Yet this evidence needs to be interpreted with caution. Among these **same** Asian

countries are those which contain the greatest number of poor people in the world today - a fact which demonstrates that economic growth alone is not sufficient to bring about equitable participation in its benefits. Moreover, it is not to be taken for granted that the success of a given model of export-led growth can be replicated in different circumstances, or that the world economy could absorb its widespread replication.

14. These diverse trends in the experience of developing countries have emerged during a period of growing integration of the global market economy. The interdependence of national economies has increased as national borders have been opened to financial flows and, to a lesser extent, to the movement of goods, services and persons, and as various forms of communication have expanded. Growing interdependence accelerates the transmission both of positive growth impulses and of negative shocks. It is asymmetrical in character, owing to the immense differences in national capacities to pursue autonomous objectives and to influence the workings of the international economic system as a whole. Under these circumstances, the cost of adjustment to new global conditions is borne disproportionately by the weakest members.

15. Studies by the economic staff of the United Nations system suggest that the negative trends in the world economy are likely to persist in the years ahead, unless decisive steps are taken both nationally and internationally. Their persistence would be detrimental to the pace of development and to the equitable distribution of its benefits. Even under the high case scenarios adopted in these projections, the growth of income in Africa would remain unacceptably low. The gap between countries with relatively healthy economic growth and those apparently still on a path of far slower growth or stagnation would increase. Poverty, already in its absolute form affecting some 950 million persons in the developing world, would increase; environmental degradation would continue.

16. The challenge before the international community as it enters the 1990s is to redefine the basis for more effective solidarity in international economic relations. The United Nations system is a key instrument in forging a new consensus. The processes under way in the preparation of a special session of the General Assembly devoted to international economic co-operation, in particular to the revitalisation of economic growth and development of the developing countries, and the elaboration of a new international development strategy, provide an opportunity for such an endeavour.

17. The effectiveness of the operational activities of the United Nations development system will be measured largely in terms of their contribution to the implementation of the collective strategies and objectives that are expected to emerge over the coming year. It is urgent and imperative that all the organizations concerned prepare themselves to play their part in addressing the diverse needs of the peoples of developing countries in a changed and changing world.



## 2. Position of the Administrative Committee on Co-ordination

18. On the basis of its review of the conclusion<sup>6</sup> of the Consultative Committee on Substantive Questions (Operational activities), its subsidiary body, in April 1989, ACC adopted decision 1989/4, an overall declaration of principles concerning the role and functioning of the United Nations Development System in the 1990s. In this decision:

"The Administrative Committee on Co-ordination (ACC) notes that major change<sup>6</sup> had taken place on the development scene in recent years, presenting both a challenge and an opportunity to the United Nations development system in the 1990s. While the system has evolved significantly over the past decades, ACC nevertheless reaffirms the unequivocal resolve of its members to continue to adapt, both individually and collectively, to evolving circumstance<sup>6</sup> and challenges.

"ACC recognises in this context the importance of further strengthening the links between the operational activities of the system and goal<sup>6</sup>; and strategies for the 1990s.

"Decades of development co-operation by Governments, the United Nations system and other development partners have contributed to the development of the capacities of Governments. Nevertheless, the aggravation of development problem<sup>6</sup> in most countries call for a continuing focus on such efforts to further strengthen governmental capacities, and to tailor responses to the unique circumstances of each country. "

## 3. Towards the definition of a role for the operational activities of the United Nations system for development in the 1990s

19. The analysis of the situation of developing countries and the principles adopted by ACC provide a basis for making some preliminary suggestions concerning the role of the United Nations system in the 1990s. These are advanced on the assumption that concentration on sustained development, as the primary goal of the operational activities of the United Nations system, would itself provide a global objective; that it would contribute to greater effectiveness and impact; that it would help, where indicated, in evolving more focused goals; that it would facilitate the consolidation, and where necessary, the building of complementary technical capacities within the system; and that it would provide a solid platform for the mobilization of resources. The issues identified below represent elements in overall development co-operation requirement<sup>6</sup> for which the United Nations system appears to have significant comparative advantages. Their review could prove a useful contribution towards the definition of an international development strategy. It could also contribute to the solution of the long-standing and so far unresolved problem of ensuring adequate linkage<sup>6</sup> between international goals and strategies and specific development co-operation programmes at national and regional levels.

(a) Achieving self-reliance through capacity-building

20. As noted in the ACC decision and as analysed in subsection C of the present section and its technical annex, there is a clear need for further efforts to develop a more **systematic** approach to capacity building. This should ensure that the technical co-operation programmes of the United Nations **system** contribute more effectively to the achievement of self-reliance through the establishment of appropriate development management capabilities at national, **sectoral** and local levels. It will also involve the effective recognition of the primary responsibility of the **developing** countries themselves for all aspects of the planning, formulation, co-ordination and evaluation of development programmes.

21. As the role of Governments is increasingly defined as one that sustains, facilitates and regulates the overall national economy and development effort, new forms of international co-operation can be expected to be requested for the strengthening of capacities of Governments to manage the development process in an increasingly complex and diversified environment. This would involve support for developing the institutional and technical capacities required for the flexible application of a broad range of economic management instruments, for **sectoral** analysis and for appropriate forms of planning at central and local levels. **At the same time**, it will be necessary to provide technical advice to a wider range of national **institutions** and enhance their capacity to mobilise, adapt and generate resources and to **meet** their own needs. This will call for strengthening the educational base, accelerating training and skill formation, and enhancing indigenous scientific and technological capacities.

(b) Meeting the challenge of interdependence

22. While each country would be pursuing its own development objectives and strategies, there is a need to ensure a sound interface with the international environment so that the opportunities offered by major structural changes occurring in the world economy are fully exploited for developmental purposes, and precautionary measures are envisaged in anticipation of **possible** shocks or changing trends.

23. The position of developing countries in the 1990s will, to a considerable extent, depend on the manner in which the international community **meets** the challenge of increasing interdependence. One of the **most** immediate and critical aspects of that challenge is the debt situation of developing countries. Alleviating the burden of debt would remove one of the major barriers to the pursuit of reform and structural transformation and the resumption of growth. Prospects of continued growth in the **industrialized** countries, if combined with a reduction in restrictions on trade, should provide renewed scope for economic development through increased commercial exchanges. The international community will also be grappling with **some of the major** global problems that represent a threat to the well-being of humankind.

24. The United Nations development **system** is ideally placed to provide support to developing countries in these areas. It combines research and analytical capacity, a central role in the determination and monitoring of norms for many aspects of

international economic relations, and the availability of impressive technical know-how and experience. The required **support** will involve an **appropriate mix of** global, **regional and** national **actions designed** to facilitate the acquisition of essential skills and to ensure **access** to information as a **basis for** meaningful linkages **between** global issues and the developmental **efforts** of individual countries or groups of countries.

25. It also requires the **establishment of** operational **forums for** dialogue between individual **developing countries** and their partners on development strategies and investment programmes. The round-table process sponsored by the United Nations Development Programme (UNDP), and consultative groups **organised under** the leadership of the World Bank, could be **effective** mechanisms for such direct co-operation of a critical nature.

26. **As** the world economy is undergoing profound **and** rapid structural changes, there is also a need for evolving new concepts and innovative approaches to the international economics of development as a basis **for** possible multilateral responses and enhanced **co-operation** efforts. Recent technical co-operation work by the **United Nations Conference on Trade and Development (UNCTAD)** is a **good** example of the advantages of combining research and analysis, human resources and skills development, institution building and development of **information systems**, enabling developing countries to benefit more fully from **changes** in the various **flows** associated with international trade. The **work** of the United Nations Fund for Drug Abuse Control with other **organizations** of the United Nations **system**, in supporting efforts of Governments to reduce the supply of **narcotic** drugs and to strengthen co-operation to monitor drug movement, as well as the **Global Programme on AIDS** of the World Health **Organization (WHO)**, have demonstrated the **possibility** of **raising** world awareness and mobilizing international efforts and **resources** to deal with **major** common challenges.

27. It is expected that such work will continue into the **1990s** and shape a **large** part of operational activities in areas as varied as the search for long-term solutions to the ever-present threat of desert locusts, the protection of the ozone layer and other aspects of climate change, the **control** of the movement and disposal of toxic waste, and the search for production **systems** in agriculture, forestry, fisheries, mining, industry and energy that avoid the **rapid** depletion of limited natural resources and other forms of ecological degradation.

28. Given the similarity of many **of** the problems facing the developing countries, it will also be important to take into account the rapidly increasing diversity of regional and subregional situations. As the movement towards greater integration of the **industrialized economies** proceeds, relationships between traditional partners are being redefined. **For** the developing countries the process requires stronger, more coherent structures and a sound technical basis for joint participation in negotiations: it also implies the strengthening **of** subregional economic groupings, of customs **unions** and free exchange zones as well as financial, **technological** and skills co-operation in order to achieve a degree **of** specialisation and the economies of scale required to benefit **from** the newly **emerging** potential for trade between regions.

29. At the same time, the continued importance of cross-border issues such as river basin development, transport and communications infrastructure, and the spread of infectious diseases affecting both men and animals, particularly in tropical areas, calls for strengthened subregional and regional co-operation.

30. Finally, the definition of common programme initiatives reflecting the technical work of the regional commissions provides a specific challenge to the international community. Two particularly significant recent examples are the United Nations Programme of Action for African Economic Recovery and Development (based on underlying principles of the Lagos Plan of Action and Africa's Priority Programme for Economic Recovery 1986-1990), and the Special Plan of Economic Co-operation for Central America (A/42/949, annex).

(c) Broadening the adjustment process

31. Rapid economic and social change is likely to continue to dominate at least the early years of the next decade. This will make it necessary to further strengthen co-operation programmes linked to the management of the complexities of adjustment and structural transformation.

32. Among the areas where broad agreement within the United Nations system still needs to be translated into effective collaborative action are:

(a) The integration of the social dimension, in terms both of meeting the social costs of adjustment and of adapting social programmes to meet the needs of the poorest and most disadvantaged as efficiently as possible; this would also involve efforts to draw more fully on domestic resources, community-level mobilization, and the adoption of low-cost approaches;

(b) The need to reconcile medium-term macro-economic adjustment with the imperative of long-term development, which implies enlarging productive capacity and undertaking the sectoral and economic analysis required to orient scarce development resources towards areas with the greatest potential for generating future benefits;

(c) The maintenance of investment in human development programmes throughout the reform process; direct advice to Governments and inter-agency dialogue might assist the international finance institutions in ensuring that this issue is fully addressed in structural adjustment and public investment programmes;

(d) Finally, the need for accurate, relevant and timely economic and social statistics based on common standards and definitions and, above all, on field-level collaboration and strengthening of national capacity.

(d) The human dimension

33. Safeguarding and improving the quality of basic services throughout the adjustment process is not only a key to harnessing the vast and still largely untapped potential for development constituted by human resources. It is first and foremost a recognition of the primacy of people-centred development. Prosperity in

liberty and dignity, **respect** for the rights of the individual and of **her/his** place in the community, **and access** to the means to **achieve** social goals and other **legitimate** human **aspirations**; these are the achievements that **justify** the development efforts **of** nations **and** of the international community. It **is** a particular challenge to the United Nations **system**, in view **of** the principles enshrined in the Charter of the United Nations, **in subsequent** universal declarations **and specific** instructions to many organisations **from** member States.

34. Reaffirming the **primacy** of human beings both as participants and **as** the beneficiaries of the development **process** will require concerted efforts to **address** **some of** the **most** difficult but not **intractable** problems **facing** developing **countries**. These include ensuring **access** to **minimum** nutritional requirements, **safe drinking** water and **sanitation** facilities, basic education, health care, **family** planning, adequate **shelter**, and the other **essential basic** services required by every **family** for survival and **well-being**.

35. The emergence of a "**basic** needs" approach **in** the 1970s provided a strong **common** strategy for a broad spectrum of United Nations **organizations**. **At** the global level, **some** of the **most important** work came from the World **Bank**. **At** the country level, **some of** the **most** comprehensive analyses came from the International Labour **Organisation (ILO)**, notably under ~~the~~ World Employment Programme and through the work of regional employment teams. Similar initiatives during this period included those of the Food and Agriculture **Organization** of the United **Nations (FAO)** in the fields of national food **security** and the follow-up to the World Conference **on Agrarian** Reform and Rural Development, **and** the work of the World Health Organization (WHO) and the United Nations Children's Fund (UNICEF) **in** the area of primary health care. New institutions such **as** the International Fund for Agricultural Development received specific mandates to address the basic development needs of the poorer and **smaller members** of the rural **community**.

36. Although much of this work has continued in the **1980s** and that new initiatives are planned, **for** example **in** the areas of **basic** education through the international conference to be sponsored jointly by the **United Nations Educational, Scientific and Cultural Organization (UNESCO)**, the World Bank, UNDP **and** UNICEF, it has been suggested that the **time** has **come** for a **new** focus on the underlying **issues**, particularly as they affect the most vulnerable groups. In this respect, **operational** activities in the 1990s can be expected to focus to a considerable **extent** on a direct **attack** on absolute poverty; poverty resulting from **change** in the situation of individuals and their requirements, the breakdown of informal support **systems**, the vulnerability of individuals and groups linked to their inability to take advantage of economic opportunities; poverty linked to the decline of entire regional or subregional **economies** or sectors as a **result of major external** shocks and natural disasters; and poverty reflecting **an** inability to respond to changing needs and circumstances,

37. **Above** all, the new focus requires the enhancement of productive and entrepreneurial capacity, social functioning **and** mutual help through a combination of **institutional** and policy development from within and appropriate support from outside. It implies a redefinition of the distinction generally made between **investment** and consumption, which still tend to be equated with the capital and recurrent expenditures both in internal budgets and external aid programmes,

38. Population **pressure** continues to mount **in** most developing **countries**, especially those which **are least** equipped to cope with **it**. A vicious circle of increased poverty and growing population **impedes** and erodes the potential for development **of many countries**. **Environmental** degradation often results directly from those implacable population **pressures**. Through no *real* choice of their *own*, hundreds of millions of **individuals** are encroaching upon **their** environment. **Pressures** are simply **too** great. A slowing of the population growth rate and better spatial distribution would **lead to a lessening** of the strain on agricultural land, **on energy resources**, on forests and urban facilities, and would permit the adoption and implementation of strategies *aimed at* achieving sustained and sustainable **growth**. An increasing **number of developing** countries **are** succeeding in bringing their population growth rates **closer** into line with their development **potential**.

39. **Women** in the developing world, in addition to **their** traditional roles of child-bearing, **house-keeping** and wage-earning, must act as managers of **limited resources**. As new policies for sustained and equitable development are being evolved throughout the **world**, **women** will be called upon to **assume** even greater **responsibilities**. This will be possible **only** if certain social conditions are **modified**.

40. **Women's** role **in** development **still needs** to be **fully recognized** and the burden shared **more** equally **by** men. Specific **efforts** to **increase** health care, nutrition and education for women *are* basic requirements. Reducing fertility rates and **lessening** the burden of traditional tasks would afford **women** the needed **time and** energy to diversify their contributions to the development effort and the benefits they derive from it.

41. Finally, as UNICEF has insistently stressed throughout its 40 years of operational activities, **special attention** needs **to be given** to the human resources **of** tomorrow, the children of **today**. The revolution in child survival and development has shown that major, underutilized technological advances of recent *years* **can** be applied at very low **cost**, when combined with the **communication** techniques required to reach all **groups** of population,

42. Countries throughout **Asia**, **Africa** and Latin America and the **Caribbean** have been able to undertake programmes based on oral rehydration therapy, universal **immunization against major diseases**, breast-feeding, **growth** monitoring, family **spacing** and female literacy, which have resulted **in** saving the lives of **some** 2.5 million **small** children each year. These **efforts**, and the lessons **that** can be drawn **from** them in terms **of** technological adaptation and social **communication**, need to be pursued and applied **in** a broader **manner** in the 1990s.

(e) Participatory approaches to development

43. Enabling **each** human being to **realize his** or her full potential implies the adoption **of** approaches to **economic** and social development that are based on participation and empowerment. The **organizations** of the United Nations development **system** have **been** increasingly involved in activities meeting needs defined and addressed primarily **by** the immediate beneficiaries. This **is** reflected in the increasing **focus** on **assistance** provided in support of grass-roots **initiatives** and

of action undertaken by local **communities**, by women, by the informal production and **service sectors**, and by the **entrepreneurial sector**.

44. It has also **resulted** in the strengthening of **structures** to mobilise the support and technical **capacities of** the non-governmental organizations, universities and professional **associations**.

45. Further initiatives **of this** kind are required **if**, in the coming decade, the United Nations **system is to be an** effective partner **of Governments** in mobilizing the broadest **possible** support **from** the international community for the **widest** range of **beneficiaries** in the developing countries,

(f) Emergency relief and development

46. The decade of the 1990s will coincide with the International Decade for Natural **Disaster** Reduction. In this context, **major** efforts will be **focused on assembling, disseminating** and applying scientific knowledge, through national, regional and world-wide **programmes** to reduce **the** impact **of** natural phenomena.

47. It would be illusory to think that emergency **situations** linked to natural **disasters** are likely to decrease **in the coming** decade. Indeed, **some** aspects of climate change and ecological degradation suggest that there will be a marked increase in the threat to normal human activity. It is also too early to predict whether the recent lessening of **tensions** between nations in many parts of **the** world will result in a reduction in man-made disasters,

48. In these circumstances, there **is** a need to **maintain** and Strengthen operational support and capacity to **meet** the vast and **urgent** need for humanitarian assistance that will continue to accompany drought, flooding and earthquakes, as well **as** the displacement of population and disruption of economic and social **activities that result** both **from** natural disasters and from civil or international strife. The United Nations **system has** shown **the** special role **that a** neutral universal body, able to **mobilize** contributions from the whole international community, can provide in **such** circumstances. It will certainly be expected to pursue **its** efforts to participate directly in humanitarian relief efforts, to galvanize and co-ordinate emergency assistance, and to provide technical advice for the building of national and local capacities.

4. Implications for the United Nations system

49. The issues and themes identified above require the **mobilization** of resources and technical capacities from the whole United Nations **system**. They imply new ways of linking together operational activities and the strategies and **policies** adopted by member **States**, reconciling **specific** contributions to the achievement of agreed **goals** and objectives with the principle **of** national **sovereignty** in priority-setting and **resource** allocation. They **involve** the **organizations** of the United Nations **system assuming** appropriate intellectual leadership in exploring **possibilities** and laying the **technical** groundwork for new **initiatives**.

50. Above all, they **underscore** the importance of finding additional way6 for **individual organisations** to work together more effectively, ensuring that their potntial comparative **advantages** arr **transformed** into reality. The member State6 in the governing bodies, and the senior officials **of** the organizations, have clearly **recognized these requirements** and **endorsed** them in principle. **However**, experience over the part 10 year8 ha8 **shown** how difficult it ha8 been in practice to achieve **increased coherence** in the operational activities of the United Nation6 **system**. Yet there have been **impressive** exceptions, **especially** under the pressure of extreme **necessity** as, for example, in the care of major natural disaster8 which have provided **the** kind of challenge **that** ha8 **justified** the **pooling** of information, **and the co-ordinated management of resource8 and logistics** capacities, that have proved **so elusive** in longer-term development work. It should prove **possible** to build on **these achievements**.

51. **At the same time**, there are common perception8 of **some** of the major changes in the nature **of** international development co-operation that are likely to characterise the **next decade**. Among **these** are the **shift from project** to programme approaches in the provision of technical advice and the transfer of technology, the **increased** utilisation **of** short-term, more highly **specialized** consultants and equipment incorporating **more sophisticated technologies**, and the recognition of the potential role of data banks, information **systems** and expert **systems** a8 a significant new technical co-operation modality.

52. **A8** national capacities evolve, and **as Government8 assume their primary responsibility** for the management **of** development co-operation **programmes**, the trend toward8 the generalisation **of government** execution will continue. The challenge for the United **Nations system** will be to find appropriate ways of facilitating **and** supporting **this** change, **addressing** the **need for** a redefinition of traditional **relationships** between **Governments**, funding bodies **and technical** partner8 that this could imply.

53. More **systematic** analysis c. three trends, **and** determined pursuit **of** the **reform process**, are required if the **United Nations system** is to enter the 19908 fully equipped to **play** its essential role. In its decision 1989/4 of 21 April 1989, **ACC** addreeed the **system-wide** implication8 of current thinking within organizations of the **system** about their roles. Of immediate interest were the significant implications of thinking in UNDP on its response to the challenges of the future. **ACC welcomed** the UNDP endeavour to reach a8 broad a **consensus a8** possible among all concerned **parties on** how UNDP can **respond** in expanded collaboration with **its** partner8 in **support** of national development efforts. **ACC** considered it essential that **the** capacities of the **system** be fully mobilized in a collective **endeavour**. **ACC** also considered it opportune to formulate a collective view of the **system** in regard to it8 role **and responsibilities** in the **perspective** of the 19908 and beyond. **ACC further considered it** important that **some** ongoing and projected studies by organizations, which have wider implications, should take into account **such** a perspective **and that** they should follow a close consultation process within the **system**.

54. The ACC **subsidiary** body for operational activities, the **Consultative** Committee on Substantive **Questions** (Operational activities), **also noted** that the UNDP



initiative and other exercises organized by various parts of the **system** would contribute **substantially** to the overall policy review being undertaken by the General **Assembly** in regard to the operational activities of the **United Nations system**.

#### **5. Launching of a prospective study**

55. The Consultative Committee welcomed the **proposal** of the Director-General for Development and International Economic Co-operation to undertake **an** overall prospective study of emerging trends in development co-operation requirements and their implications for the United Nations **system**.

56. The usefulness of **such** a study has been **increasingly recognized** since it was first suggested by the Director-General in **his** annual report in 1988 (A/43/426-E/1989/74, **annex**). At an inter-agency meeting in **December** 1988, there was broad agreement that it would need to **focus** on the changing demand for technical co-operation, reflecting **the** strengthened capacities of the developing countries and the increasing diversity of country situations; **the** call for greater involvement in **dialogue** on macro-economic and **cross-sectoral** policy issues; the relationship between global and regional concerns and the content of programmes and projects at the country level. **All** of these would have substantive and organizational **implications for** the United Nations development **system**. It was also felt that a **longer-term perspective** would be useful in taking **further** decisions concerning **some** of the specific short-term **management issues currently** under review.

57. Clear interest in the proposed **study** was expressed by several **executive** heads at **the ACC** meeting in April 1989, **as** well as in the written comments and **suggestions** submitted by **almost** all **organizations**. It was **stressed** that the study should be closely integrated with preparations **for** a new International Development Strategy, and that it should build on the **work** already under way in many **organizations** within the United Nations **system**.

58. It is also noted that the Advisory Committee on **Administrative** and Budgetary **Questions** has, in the context **of** the review **of** the budget estimates of UNDP for the biennium 1990-1991 (**DP/1988/56**), recalled that **20 years** have elapsed since "A study of the capacity of the United Nations Development **System**", which preceded the 1970 Consensus was approved in General **Assembly** resolution 2688 (XV). The Committee expressed the view that "bearing in mind the changing patterns in the needs of the developing **countries** ... the time **may** have **come** for a renewed **comprehensive** look at **UNDP** and the role **of** the United Nations **system** in development". In underlining the need for a "blueprint", the Advisory Committee pointed out that it should take into account the role and functions of all parts of the **system, i.e.** UNDP, agencies and **Governments**. It should also reflect general **agreement** in the United Nations **system** and among **member States** **about** their respective roles, and **as** such should reflect the **consequences** for each partner of any modification or changes.

59. **In** addition to the broad **consensus** that has emerged within the United Nations **system** on the usefulness and the scope of a **prospective study**, there is general agreement as to its timing as well as on **some** principles relating to its organization. A phased approach appears to have considerable **advantages**.

60. A first phase would consist of an analysis of trends in development co-operation in the context of alternative scenarios for long-term development prospects such as those contained in the report of the Secretary-General on the overall socio-economic perspective of the world economy to the year 2000, (A/43/554) and the ongoing work of the ACC Task Force on Long-term Development Objectives. The sectoral analyses recently produced or being prepared by the specialised bodies and agencies would also be integrated, as would the updating exercise on socio-economic projections called for by the General Assembly in its resolution 43/194. To the extent that this phase could be completed by early 1990, it could serve as an input to the elaboration of the international development strategy.

61. A second phase would examine delivery modalities, taking into account the work of the expert group on support costs established by the Governing Council of UNDP, of the Governing Council high-level debate on "The Role of UNDP in the 1990s", and of similar reviews by other governing bodies such as that already undertaken by the UNICEF Executive Board in April 1989, as well as the outcome of the triennial comprehensive policy review. It could be completed in the first half of 1990. This would ensure that the results of the Special Session, and the outcome of reviews by other governing bodies, could be fully integrated into the exercise. This is particularly important since there is considerable variation in the work undertaken to date within organizations.

62. In view of the responsibility of the Director-General for Development and International Economic Co-operation to provide effective leadership and co-ordination to the United Nations system in the field of development, it is suggested that these two phases be organized under his overall auspices. However, given the extreme limitations on the resources directly at his disposal, it would be necessary to constitute an inter-organizational team, sponsored by interested entities, for the duration of the exercise. Recent experience with the secondment of staff from UNDP, the United Nations Population Fund (UNFPA) and the Department of Technical Co-operation for Development would suggest that this line of action is feasible. Such core staff would work under the leadership of an independent co-ordinator who would draw on the experience of international development specialists and the senior officials of the United Nations system, probably by organizing high-level advisory panels.

63. A third phase, which would benefit from more direct involvement of member States, would focus on the implications for the United Nations development system as a whole of the preceding substantive and process reviews. Incremental growth and change in recent years, as presented and analysed in this report, has resulted in a situation that is far different from that envisaged by the authors of the capacity study or the drafter of the consensus. Organizations have been encouraged by circumstances, with the consent of their governing bodies, to move into areas that inevitably involve duplication of effort and competition for scarce resources. The resulting strains and tensions are increasingly apparent. The third phase of the prospective study could provide the opportunity for Governments to clarify their intentions with respect to the United Nations development system, and to introduce the necessary modifications required to meet new challenges.

64. Although this could **be** achieved through existing intergovernmental processes, it would be **a** complex **and** time-consuming operation. It would therefore be worth exploring alternatives, including the establishment of an **ad hoc working** group composed of representatives of *the* various governing bodies or an independent **team** of **experts interacting** with and reporting to all the governing bodies. If this third phase were organised **in** the period **from** mid-1990 to mid-1991, it could benefit from the preliminary review of **key** issues by individual governing bodies.

65. In view of the importance that this study is **now** assuming in the analysis of **so many** aspects of **international** development co-operation, Member States will **certainly wish** to review it in **detail**, and provide specific guidance on its scope and content and on the approach to be adopted.

### B . Objectives for operational activities

66. The **General** Assembly, in resolution **41/171**, paragraph 33, requested the Director-General, in preparing his report for the next policy review, to provide a general framework of broad objectives for operational activities for development within the United Nations **system**, in accordance with General Assembly resolution **32/197**.

67. The present chapter, prepared on the basis of the work of an independent consultant, whose report is being **made** available as a technical paper, examines experience to date with setting objectives for operational activities **and** identifies **some** of the principles, and the constraints, involved. It constitutes the first background **element** of the Director-General's response to the General Assembly's request. It is envisaged that a second paper, bearing in mind the discussion in the Economic **and** Social Council and reflecting work under way in the Consultative Committee on Substantive Questions (Operational activities) on forward objectives for operational activities, will be provided to the General Assembly at its forty-fourth session.

68. *No* compendium exists of the objectives set **by** the intergovernmental **forums** of the United Nations **system** for its operational **activities** for development over the past 40 years. Nor is there a definition of what might constitute objectives for such activities, beyond the widest commonly accepted development goals.

69. From the outset, it has been clear that operational activities are initiated only at the request, and by the choice, of Governments. **It** has followed that there could not, and cannot, be specific substantive "objectives" to be applied in all United Nations **system** operational activities in all developing countries. Moreover, the **system's** operational activities at country level have never constituted autonomous programmes or **projects**; they have been designed as contributions to the development efforts **of** the recipient countries.

70. At the same **time**, recipient countries have joined other Member States in **identifying** development needs and priorities in United Nations global and regional strategies, plans and programmes. The challenge in resolution **41/171** is thus **twofold**:

(a) To ascertain the impact of global and regional strategies and goals for development enunciated in United Nations forums on **operational activities, and vice versa:**

(b) To determine what objectives could be explicitly defined for operational activities within overall United Nations strategies.

### 1. Origin of objectives

71. Operational activities began with the **goals** set out in the charters of the relevant organisations of the **new** United Nations system. In building the machinery for such activities, notably the launching of the Expanded Programme of Technical Assistance in 1949, **objectives** concerned qualities of services rather than development priorities. *Some* substantive goals were added, such as assisting programmes that should reach entire populations, but the principle of request and choice by the recipient Government militated against substantive and uniform goal-setting for the activities funded by the Expanded Programme and (after 1959) the Special Fund. For the same reason their successor, **UNDP**, has not been assigned substantive priority development goals. Governments have concentrated on setting what might be called capacity and competence objectives, with only permissive substance. The latter can be seen in the decision of the UNDP Governing Council in 1975, in its New Dimension<sup>8</sup> policy, to encourage the Programme to respond favourably to requests for meeting the **most urgent and critical** needs of each developing country, taking into account the importance of reaching the poorest and **most vulnerable** sections of their societies and enhancing the quality of their life.

72. Organisations of the **system** with specific substantive or advocacy **mandates**, and the World **Bank**, have been assigned priority development goals: but for operational **activities** the choice of the recipient Government remains paramount. In this context, a historical disjuncture between the policies and procedures of the **Bretton Woods** institutions and those of the rest of the **system** should be **noted**. The United Nations and specialised agencies were to help provide human and physical foundations for **investment**. The **Bretton Woods** institutions were to be responsible for assisting the developing countries to obtain capital financing and investment resources in accordance with the criteria of those institutions. The failure of the proposal for a Special United Nations Fund for Economic Development for capital assistance reflected this disjuncture, which has persisted to the present day.

73. The **global** goals in the United Nations development decades and international development strategies, special-purpose decades, intergovernmental resolutions of the United Nations and specialised agencies, and the world plans of action of successive major United Nations conferences can, however, be considered as points of reference for the substantive aspects of operational activities.

## 2 . Goal-setting

74. To an increasing extent after the early 19606, the operational activities of the system have contributed to the setting of these global development goals, through their capacity-building for research and analysis in developing countries and by contributing advice and experience to the goal-elaborating process. The technical papers elaborate on these contributions.

## 3. Impact in results

75. It is less easy to identify, and certainly to quantify, the extent to which the organizations engaged in such activities have implemented these global (and regional) goals. A number of decades and world plans of action have, however, been analysed in this respect.

76. At the development decade level, operational activities have been faced not only with the prerogative **of** national choice but with many other constraining factors, **ranging** from insufficient resources to the lack of tangibility at country level of such broad aims and targets, and the volatility of the international economic environment. None the less, organisations have drawn **on** decade goals for special initiatives, **as** with the combined UNICEF-WHO programme for the Child Survival and Development Revolution.

77. Some special-purpose decades and plans of action have lent themselves better to implementation by operational activities, one of the more **outstanding** examples being the International Drinking Water Supply and Sanitation Decade. Persistent effort by an inter-agency steering committee, country-level effort by resident co-ordinators and resident representatives to encourage the establishment of national Decade committees and policies, and good collaboration with both bilateral and non-governmental agencies have been features **of** this work. The effort to mobilise contributions from the whole United Nations system for the United Nations Programme of Action for African Economic Recovery and Development, at country, regional and international levels, is also yielding valuable lessons in the implementation of a globally agreed plan.

## 4 . Constraints

70. The exhortations for support for world plans of action adopted by international conferences have posed many problems. The **goals** and targets have each assumed quantum increases in financial resources for the United Nations multilateral machinery, yet their promulgation, mainly in the **1970s**, coincided with a succession **of** world economic crises. The proliferation of new special-purpose funds and agencies created to meet these goals made new demands on the limited reservoir of development financing. None the less, the evidence suggests that **organizations engaged in operational** activities have endeavoured to meet each fresh challenge. **As** with the development decades, they have contributed to awareness and raised the **level of concern** over a number of issues at the national, regional and international levels. **Organizational** constraints have, however, limited the impact

of such **efforts**. These have included the continuing deficiencies in **coherence** and co-ordination within the **system** at country and regional levels. In addition, a recurring obstacle to the integration of new development thrusts into **programming** has been the **system's** inability to provide for orientation, training and **ongoing** refresher information to **meet** such new and usually systemic needs.

**79.** From the general **considerations** noted above, several conclusions can be drawn:

(a) Governments have to date provided themselves with a broad range of goals, which are reflected in the operational activities **of** the United **Nations system**. These activities contribute to and receive global goals and targets from the General Assembly, special world conferences, and other **intergovernmental** forums of the system. Some organizations also have specific goals from their own **governing** bodies. While it **is** a responsibility of the United Nations **system to ensure** that information about global goals is available to national **officials**, the historical **centrepiece** of grant-funded operational activities, UNDP, with its programme approach to technical **co-operation** at country and regional levels, has **not** been assigned substantive **development** goals **of** its own.

(b) The sovereign prerogative of **Governments of recipient countries** to fashion their **own** development goals, and in the process select from **global** ones, moreover, applies to all organizations involved in operational **activities** at the country level. Furthermore, the **strong** thrust of recent General Assembly resolutions is that national capacity must be established once and **for** all for genuinely **endogenous** development planning, **external** resource co-ordination and management. Logic would suggest that the stronger such capacity becomes, the more capable - but also the **more** careful - each recipient Government is likely to be in selecting **among** goals set at **global levels**, in the light of their relevance to the country's priority needs at a given time.

(c) In the light of the call made by the General Assembly for a general framework of broad objectives, there is **one** basic issue: should operational activities be assigned broad development goals apart from or additional to those conveyed for overall implementation, subject to government choice, from development decades, international strategies, global plans of action, and so on; or should such broad objectives be those that will ensure that the operational activities of the system contribute to the implementation of those aspects of global goals that correspond to Governments' own development priorities?

##### 5. **The long-haul work of the system**

**80.** It is probably a sound **generalization** that most organizations of the **system** engaged in operational activities, including those with special **mandates**, have spent **most of the past 40** years in **long-haul** institutional and **human** capacity-building and natural resource-harnessing. **Here**, it is not so much objectives **that** can **change** as levels next to **work** on, or programmatic adjustments and techniques that **can** be improved for essentially the same goals set **by the** manifest needs of each country.

81. Historically, this long-haul and largely **unglamorous** work, uniquely the charge of the United Nations **system**, has meant that its operational activities have had to be "spectrum-responsive". **The system** is supposed to be intellectually and technically equipped and organized, especially at country level, to be able to respond across the full spectrum of development needs identified in each **country**. This has periodically given rise to frustration that the United Nations has to **do** everything and cannot concentrate, and be seen to be concentrating, on anything. The same broad-spectrum work is increasingly cited as a particular difficulty in seeking cohesive impact for the sake of development itself.

82. It is, however, at least as arguable that somewhere in the international development **community** there must be the capacity at all times to fill the gaps in development co-operation. Even more importantly, there **must** be the capacity to help Governments ensure that the key development thrusts reflected in global goals are adequately addressed across their **sectoral** boundaries, to guarantee resource-sustainable and self-reliant **development**. In short, it can be argued that conceivably the **most** important global objectives that could **be set for** the operational activities of the United Nations system would be to help ensure that substantive global goals will work, sustainably, and not merely join the roll-call of passing development enthusiasms. This would, of course, **be fully in** accordance with the principles underlying resolution **32/197**. It certainly does not imply passivity in respect of participation, either in the setting of substantive global development goals or in their implementation. Rather, it would imply **that** (a) drawing upon global goals and a better synthesis of its own experience, the **system** should - as an objective - be better geared to **forecast** what new or heightened needs will require special attention in a given period, and that (b) the **system's** operational activities should - again, as an objective - be **better** geared to helping Governments ensure that such new priority interventions are better supported in the work along the rest of **the** spectrum,

## 6. Capacity and competence objectives

83. Regardless of the decisions of Governments on these **questions**, a number of key capacity and competence objectives could well be set for the operational activities of the **system** at this time:

(a) The paramount objective of **this** kind should be decisively to help close **the** gaps in the installed **capacities** of Governments of development countries themselves to design on an **interdisciplinary** basis and effectively to **manage their national** development programmes, and to co-ordinate and integrate into their national programmes all external assistance. This could constitute a **major** objective for **the** year 2000, enabling the General Assembly in that year to confirm **that** there is finally no need to repeat this long-standing goal for the **system**.

(b) The United Nations **system** should make itself the principal resource to sift, assemble and transmit to the international development **community** the accumulated **wisdom**, advice and cautions about development models and **techniques** of the past 40 years. The **system** should have **the** objective of becoming an international analytical repository and clearing-house for research and **evaluation**

in all fields of economic and social development, to minimise repetitions of the costly **errors** in design and implementation that **have** affected the achievement of global **development** goals to date. **No such globally organized, high-quality resource and ongoing flow** of information to the development **community** exists at present.

(c) The operational activities of the **system** should be complemented by high-quality research and analysis aimed at formulating concrete recommendations on how **to ensure** more truly sustainable development interventions in the 1990s - in the use of domestic and **external** financial resources, in assuring adequate national human resources for such sustainability, and in building natural resource management and conservation into all interventions.

(d) To ensure that the **system's operational** activities are in **an** optimal position to help implement global goals **and** themselves make best use of **such analysis**, there should be a major and early improvement **in** the selection, briefing, orientation and refresher training of the development staff of the system. The recurring proposal for a system-wide staff college, as reviewed by the **United Nations Institute for Training and Research (UNITAR)** should be implemented in a cost-effective **way, using** existing teaching and **training** institutions.

(e) Work should now proceed, according to the basic features of General Assembly resolution **32/197**, to bring to the **system's** research and operational activities greater coherence, flexibility **of** response, intellectual and policy leadership and capacity **for** interdisciplinary advice. New links are **needed** between the normative research and analytical capacities, and the operational resources of the **system**, between and within organizations as necessary. The machinery at the regional level should be reviewed **for** the same purposes. At the country level, project management should be made less bureaucratic. **Also**, through new **forms of** inter-agency co-operation, teams of United Nations **system** interdisciplinary advisers, under the leadership of resident co-ordinators, should be helped to focus on providing Governments with technical advice corresponding to their **major** development needs.

### C. Building developing country capacities

#### 1. National capacities

##### (a) Self-reliance through capacity-building

84. Self-reliance, in terms of the capacity to take the lead in meeting the tasks and challenges **of** development, to master **social** and economic processes, **to** establish and analyse policy options, is the very **essence** of all development co-operation **work** that seeks to avoid self-perpetuation. This idea was **reaffirmed** at the **origins** of development assistance; it figures among the basic principles set out by the founders of the **United Nations system**.



85. It is reaffirmed in the report on the strengthening of government capacities prepared by **UNDP** on behalf of the Director-General for Development and International Economic Co-operation pursuant to paragraph 12 of resolution **42/196**, and is being **made** available as technical paper 2 in connection with the **present** report. That report demonstrates that, despite several decades of development co-operation, there is still need for renewed commitment on the part of the various partners to act decisively upon identified constraints in order to achieve **lasting** progress in this area.

86. To **some** observers it would indeed seem that self-reliance through national **capacity-building** has not received the unequivocal support that it requires. There still **appear** to be institutional obstacles to applying alternatives to the unsatisfactory, of tsn ineffective, sometimes , **internalistic** approaches adopted over the past quarter of a century.

87. At the same time, where success has been obtained, it has **contributed** to governments' ability to deal with the far more complex **current socio-economic** realities of the developing world, and its more clearly focused and sophisticated needs.

88. The challenge now is to multiply and accelerate past achievements. This can **be** achieved through a dual approach. **On** the one hand, **basic** management capacities can be strengthened by adopting long-term policies aimed at consolidating institutions within a country, by providing quality training to strengthnn the human resource base and by introducing or developing appropriate technological innovations and methodologies.

89. On the other hand, the United Nations system can adapt its own development **assistance** processes in order to enlarge participation by national institutions through a series of measures. This also requires capacity-building, for the definition of development strategies and related **sectoral** and thematic policies, for decision-making in programmes and resource allocation, for the integration of external **assistanco** into the overall national development context, for the establishment of evaluation mechanisms and for the formulation and execution of projects,

(b) Past experience

90. Organizations of the United Nations system have reaffirmed their commitment to the principle of assisting Governments to exercise their inalienable **sovereignty** over their own development efforts, by reinforcing their technical and mnnagerial capacity. In so doing, they have stressed the fact that the primary role of the United Nations development system in the next **decade** will continue to **be** the strengthening of capacities to define, plan and manage development actions in their **entirety**; to establish, consolidate and sustain the institutions that **guarantee** continuity of action **and** policy; and to augment the knowledge **base** of thn personnel involved through training. Reducing dependence on external aid for **non-substantive** inputs is a basic requirement **for** effective development effort.

91. In view of the long-standing **commitment of** United Nations legislative bodies and **organizations** of the system to national capacity-building as the ultimate purpose of development co-operation, **we must ask** ourselves **what** remains to be done to achieve this goal: what improvements in strategies **are** required, what means needed, what tools or modalities **can** be used to implement these **strategies** more affectively? With variations **due mainly** to the **sectoral responsibilities** and mandates **of** organisations, there would also appear to be a broad agreement on the **means** to be employed in order to reach the stated goal.

92. It is generally **recognized** that the United Nations **system** could contribute to **more** effective capacity-building if funding were **more realistic** and **sustained**, and **if** priority attention were paid to long-term objectives rather than short-term inputs. This would facilitate internalization **of** the process, and ensure that valuable achievements **in** building up infrastructure in many countries **are** complemented by a corresponding improvement **in** capacities to modify these structures in order to **meet** changing **needs**.

**(c) Management of the development process**

93. As suggested in General Assembly resolution 421196, at the centre of capacity-building activities would **be** programmes designed to enable developing countries better to manage their development process. Governments **requesting** such programmes should continue to be assisted not only in co-ordinating international co-operation, but in the management of their overall development process, as defined by them. It is recognised that the entire **range** of issues cannot be addressed at once. There needs to be a focus on areas where a combination of short-term improvements and sustainable longer-term gains **can** be achieved. A logical system-wide policy option would be to combine a comprehensive approach to the programming of technical co-operation with the incorporation **of** more limited objective6 into specific programmes **for** the strengthening of capacities **step** by step, **sector by sector**. Particular attention would be paid to:

(a) Macro-economic planning, **analysis and** socio-economic policy formulation, where the presentation of technical options is implicit in the preparation of substantively linked strategies, policies and evaluation. This would involve the **best** use of existing capacities both within **government** and in the society at large:

(b) Co-ordination of technical assistance, where appropriate, under the overall leadership of a single entity, promoting **complementarity** and avoiding overlapping and inefficient competition between various sources of supply;

(c) Integration of the results of nationally managed monitoring **and** evaluation **systems** into the design and implementation **of** programmes, **facilitating measurement of impact and** identification of required corrective measures;

(d) Programme implementation, which requires realism in formulation, **a** more **systematic** review of managerial requirements, and the **incorporation** of specifications to **enhance** management **capabilities**, wherever performance is likely to be constrained by institutional **and managerial** factors.

**(d) Overall approach for United Nations system support**

94. The overall approach adopted *for system support* for national capacity-building would be as **described** below.

95. **First**, to help define **policies** and strategies by **evaluating** the impact of current assistance and **assessing** and **analysing** the **major remaining needs**. The resulting **programmes**, developed by Governments with appropriate support provided on a co-ordinated **sectoral** or thematic **basis**, would facilitate the identification of necessary **actions in a rational manner**. An important element in the process could be the generalisation of **needs assessment exercises** to all appropriate priority areas. To **ensure coherence** in these endeavours, **more** co-ordinated action is **required**, with fuller **involvement of** the Government and **of** the technical **partners** within the **system**. Evaluation **processes** are also an **essential** component of planning, allowing for the **necessary feedback** to facilitate corrective measures and even, when required, the reorientation **of** basic strategies. Evaluation mechanisms should be built **into national** management systems in a **systematic** fashion.

96. Second, to strengthen **those** national **institutions** which provide a guarantee of continuity, **remaining** when the initial actors change and adapting as the country evolves. Helping to create institutions is a capital investment for development in all economic and social sectors. Strong cost-effective institutions command respect. Capable institutions should be made **more** capable. Weak institutions should either be made viable or phased out.

97. **There** is a direct link between such institution-building and the adjustment and reform processes presently being adopted in **many** parts **of** the developing world to deal with economic **crises** and lay the foundation for a return to growth and development. Special **measures are** needed throughout periods of adjustment to preserve the capacities **of** those institutions which are essential to the achievement **of** long-term development goals. Unless this **is** done and the **means** provided to **generate** additional capacities, the value of much of the national effort **and** development assistance already provided would be lost.

90. Third, to support the personnel within the institutions in the search for the increased knowledge and improved quality that will establish their credibility with those they serve, thus ensuring the necessary support and participation of all concerned. Direct technical advice and training continue to **be** useful elements in the task of ensuring that the institutions have personnel available who have the ability and the will to continue to build.

99. Education holds the key to developmental success. Transmission of development knowledge and skills can **be** achieved in **many ways**. Efficient information exchange is an essential **element**, and is directly linked to the quality of the service provided. Learning by doing, through twinning of national and external institutions and **specialists**, is one other practical way of **acquiring** skills rapidly. Concentrating on management techniques would help to correct one of the basic **weaknesses** of development actions in the past. **These** and other ways of increasing the transfer of knowledge are **an** investment in the future.

100. Fourth, to facilitate **access** to appropriate technology for qualified **personnel** and institutions in **order to increase** the **speed**, efficiency and precision of their **actionr, drawing, as** appropriate, on improved **management** and **information systems**, together with appropriate **logistics** support.

(e) **Sectoral and local capacities**

101. Although the above analysis has concentrated on overall capacities to **manage and** co-ordinate development programmes, capacity-building must be a far broader process. It needs to characterize development work in all sectors and at all levels of **economic** and social **organization**. The general principles outlined above apply equally to the work of the **specialized** funds and agencies in their respective **spheres of** competence. Indeed, it has **often** been at the **sectoral** or the local level where the identification of immediately implementable measures has been most effective and **where**, thanks to proximity to users and beneficiaries, **sustainability** has been **achieved**. Further analysis of co-operation in sectoral and local capacity-building **is envisaged** in the context of the Consultative Committee on Substantive Questions (Operational activities), on the basis **of** inputs already provided by individual organizations. Conclusions will be made available to Member States.

(f) **Social development**

102. **One** area requiring specific action is capacity-building for social development. If social programmes rarely receive priority in investment resource allocations and the **design of** adjustment **programmes**, this **is** partly a reflection of the generally limited capacity **of many** of the national and, even **more** strikingly, the provincial and local authorities, **who** bear much of **the** responsibility for their implementation. In many countries, these difficulties are compounded by the relative **weakness of** social ministries in terms of policy formulation, planning investment programmes, co-ordination and evaluation. The need to strengthen capacities to design proposals for health and education that take account not only of technical requirements but also of overall budgetary constraints, cost-effectiveness **and** adaptation to varied local conditions, is a **key** element now receiving priority attention in the support provided to Governments **by** WHO and UNESCO,

103. The strengthening of the capacities **of** national administrations, particularly in these areas, **needs** to be accompanied by equally effective action in support of the local **and** village communities that are **most** directly involved **in** implementation. Techniques for social **mobilization** through the utilisation of development **support** communication have received special attention in recent years, especially **from** the so-called advocacy organisations such as UNICEF and UNFPA, but also in **grass-roots** development initiatives launched with support **from** UNDP and with the involvement of **specialized** agencies and, **more** recently, in collaboration with the **non-governmental organizations**. Village capacity **for** maintaining **investment** in **social** infrastructure **and** various **schemes** to mobilise self-financing, for example through village **associations**, have also **received** attention. However, much more **needs** to be done to provide local **communities** with access to the techniques required by the **more** participatory approaches to development that are increasingly being adopted.

(g) Methodologies

104. Resource management *of* any type require6 method and application. The provision of **methodologies must be** a part of **any institution-building or training package**. Appropriate methodologies should therefore be introduced, adapted, **or**, wherever possible, developed, with full participation of national personnel as a means **of increasing efficiency in the management of** development input6 and in the selection and application of the **most** effective technologies,.

105. Additional efforts are **now** required to consolidate gains achieved to ensure permanency *of* development, through the **provision of relevant**, action-related quality training, and with increasing support given to building and protecting national institutions, which **are** essential to lasting development.

(h) Time frames

106. Time frames may have to be re-examined in order to introduce more **realism in programme** objectives and to **ensure** lasting **success**. Sustainable efforts aimed at profound change require patience, perseverance and vision. **By** strengthening institutions, quality of training, pertinence of technology and the development of appropriate methodologies, such longer-term efforts can be incorporated **into** the overall development process.

(i) Quality of service

107. In all of these capacity-building activities, a better quality of service is now expected by **Governments**. Transfer of expertise still **occurs** principally through the advisors **or trainers**, who must be *of* a consistently high **calibre**. In view *of* growing concern **in** recent year6 over the quality *of* technical co-operation personnel, it is urgent that ways and **means** be found to attract consultants with the qualifications and degree of specialisation **needed to meet** the complex requirements of the next decade. This will involve improved identification and provision of state-of-the-art technical **backstopping**; and **measure6 to retain the best** qualified, including increased professionalism, appropriate **terms** of service, remuneration, and in-service training of both national and international experts.

108. Within the United Nation6 **system**, the specialised agencies continue to be the focus for ensuring that **such** high-level technical **resources** are **mobilized**, that they are provided with adequate support, that they draw **on** accumulated experience and the results of analytical and research work, and that they **meet** international standards. Many of these **organizations** have, however, faced increasingly severe pressures on their limited resources, resulting **from a** combination of **reductions** of regular budgets, restrictions on the use of assessed funds for technical co-operation purposes, **and** steadily declining income **from** project execution as alternative modalities **are more** widely adopted. In order to enable the **specialized** agencies to continue to contribute their unique assets to the development process, in addition **to the reinterpretation of** traditional **relationships** in programme and project **implementation referred to in chapter I**, **it will be necessary for the governing bodies of the organieatione concerned to review current policies**, procedures and funding arrangements.

(j) Involvement in programme and project management

109. As suggested **above**, **one** of the most tangible means of reaching **these** goals of self-reliance is to explore in a more systematic manner the **scope for full national involvement in programmes** and projects. It is mainly through active participation that **one** masters a given field or issue. Direct **involvement** in all **steps of a programme, from identification** to evaluation, is the **only** significant way of **fostering** responsibility. It is through the daily management of executive details that **one** really **comes to grips** with the reality of **development situation and issues**, and that **one** begins to seek out durable solutions. Full government responsibility for **programme** and project execution must **become** the **paramount** objective,

110. The national execution of projects assisted by the United Nations system was a cardinal feature of the new dimensions in technical co-operation adopted in 1975. It represented a change from the **traditional** perception of a United Nations project to which the **Government** provided counterpart resources, to the concept that all development activities **are** or should be government **programmes, supported** by the United Nations system with counterpart contributions. All projects **assisted** by WFP and UNICEF, and **most** assisted by UNFPA, have long been executed by Governments; projects **financed** from *loans* from the World Bank, the regional development banks and IFAD, including those **relating** to technical co-operation, are the responsibility of the borrower; most bilateral aid **programmes** follow the same approach. That approach has also **characterized** many of the technical co-operation **programmes** funded from the regular budgets of the **specialized** agencies. For example, for WHO and the International Atomic Energy Agency (IAEA), which directly fund almost all of their technical co-operation input, it has long been a basic principle) for UNESCO, it applies to the participation **programme**.

111. As the Director-General noted in paragraph 81 of his first report for a comprehensive policy review in 1980 (A/35/224, annex), "a progressive, and relatively rapid, assumption by Government of the responsibility for **executing** projects supported by the United Nations system would help to develop the Governments' own managerial capabilities and the attainment of **self-reliance**. . . . Further modifications **may** need to be made to the policies and procedure for project implementation to establish and reflect the Governments' lead role in projects **assisted** by the United Nations system. Training may need to be **offered** to nationals of developing countries in order to enable them to assume the **additional** responsibilities envisaged in a progressive shift towards government **execution and management**. . . . A move towards government execution **would** in addition help to reduce the United Nations system's **administrative** burden and would turn the **specialized** agencies' manpower and capacity **towards** their true vocation: technical advice, technical monitoring and global analytical and policy **functions**."

112. Almost 10 years have passed since the case for greater government execution as a means of **achieving** the very purpose of technical co-operation was put forward in a **comprehensive policy review**. Progress since then **has** been **relatively** slow. Despite the **broad** acceptance of the objective and principles underlying government execution, which fully **justifies** its widespread adoption, major difficulties have been encountered in its application. **Nevertheless**, there is a growing realization

that, as a major contribution to self-reliance, and as a means of enhancing the impact and the sustainability of programmes and projects, national execution should be seen not only as a useful alternative to traditional implementation modalities but as the norm to be achieved over time for all development activities.

113. A frank assessment of the problems involved, such as that provided in the review of experience with government execution over the past decade, undertaken by UNDP in 1987 and as proposed by the Consultative Committee on Substantive Questions (Operational activities) in its work programme for 1989/1990, is essential if realistic lessons are to be learned and applied. Concern has been expressed, for example, over the major delays in financial and technical reporting on government-executed projects, and over the increased burden falling on country offices, particularly those of UNDP. Concern has also been expressed over the reduction of the technical content of programmes, particularly in terms of access to relevant development experience in other countries, and over recourse to management services to implement components of government-executed projects, in a necessary attempt to overcome the lack of procedural flexibility that often characterises national at least as much as traditional international approaches.

(k) Adapting procedures

114. One element that does not seem to have been widely tested to date, but that could represent a major contribution to the efficient management of development co-operation, as well as establishing a model that might be applied by bilateral partners, is the adaptation of administrative and financial procedures to the tradition<sup>6</sup> and processes of the host country. This is further examined in section III D, but the essential approach would be as outlined below

(a) Adopting as the basis for government execution the administrative and financial procedures of the host institution (with appropriate negotiated improvements to meet the standards set by the United Nations organizations to fulfil accountability requirements);

(b) Providing technical advice to ensure that these procedures offer national institutions the required flexibility for efficient mobilization of external assistance;

(c) Identifying (and, where necessary, strengthening through technical co-operation and advisory services) autonomous national capacity for auditing development operations and, more specifically, the management of external assistance input;

(d) External auditing on behalf of the United Nations organizations of the auditors and their audits (the latter on a sample basis).

(l) Handling external inputs

115. A second element, which has received increasing attention and support in recent months, is the progressive transfer of responsibilities for the mobilization and management of external inputs in the course of project execution. The

criterion that the country concerned could use in deciding the degree of responsibility to be assumed by the national implementing unit would be its capacity to manage external input. A joint review of such capacity with funding and technical organizations should result in the design of a project management framework that would enable each partner to contribute most effectively to implementation.

116. In some cases, this would involve responsibility for all external input being assumed by the external executing agency at the outset: in most, it would involve a mix of responsibilities, with executing agencies implementing directly those activities for which the required technical and managerial capacity does not yet exist within the national institutions. In other cases, the national institution would assume full responsibility from the outset. In all cases, a plan would be required to ensure that, through recruitment, formal and on-the-job training and improvements in procedures, lasting capacity is built up to enable responsibility to be transferred and fully assumed.

**(m) Continued external backstopping**

117. A third element, which requires further review in an overall redefinition of traditional roles, is the need to ensure continued access to technical information, advice and backstopping. Government execution should not lead to the reduction of technical links with the **specialized** agencies and bodies of the United Nations **system**. On the contrary, the emergence of stronger, better qualified national institutions should provide a basis for strengthening technical exchanges. There is an urgent need to find mechanisms to ensure that this is the case - for example through the more widespread use of co-operating agency arrangements, or alternative means of funding required technical input at all stages in the programme and project cycle.

118. If these three elements are applied, the effective transfer of responsibilities for the management of external inputs in the course of project execution would be facilitated, with the role of the agencies as technical partners evolving over time from the management of input to the provision of advice and backstopping for actions undertaken by the developing countries themselves.

119. The build-up of trained manpower and emergence of stronger institutions will also provide an increasingly solid base for technical co-operation among developing countries. To the extent possible, the strengthening of national capacities should also take account of subregional and regional requirements, should involve the examination of technical co-operation possibilities among developing countries, and should seek to involve all possible partners within the country, **including** non-governmental and private sector participants.



## 2. Technical co-operation among developing countries

### (a) Backaround

120. In resolution **43/199**, paragraph 9, the General Assembly stressed that technical co-operation among *developing* countries should become a widely used modality for development co-operation within the United Nations system, and requested the Director-General for Development and International Economic Co-operation to propose measures to achieve this objective. The previous year, **in** paragraph 35 of resolution 421196, the Assembly had requested UNDP to provide information to its field offices on programmes promoting or facilitating such co-operation offered by various developing countries.

121. These requests reflected a growing concern that the rapidly evolving technical capacities of **the** developing countries were not being fully taken into account in the implementation of operational activities. They underlined the magnitude of the effort still required if key provisions of the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, **3/** adopted in 1978, are to be adequately addressed. The section of the Plan of Action dealing with action at the global level began with the statement "The entire United Nations development system must be permeated by the spirit of **TCDC** and all its organizations should play a prominent role as promoters and catalysts of TCDC ...". **4/**

122. It was **recognized** that this would involve sustained interest and effort by governing bodies to mobilize their organizations, as well as action by secretariats to re-orient internal policies and procedures in order to integrate technical co-operation among developing countries in their programmes of work. The UNDP network was singled out on account of the principal responsibilities entrusted to it under the Buenos Aires Plan of Action and the scope offered by its central funding and co-ordinating role for technical co-operation within the United Nations **system**.

### (b) Obstacles

123. The drafters of the Buenos Aires Plan of Action were aware of a cluster of closely linked obstacles to the realization of its goals. Many of them remain over a decade later, despite the progress made in recent years under the overall **guidance** of the High-Level Committee on the Review of Technical Co-operation among Developing Countries and the supportive role of the UNDP Special Unit for Technical Co-operation among Developing Countries.

124. These obstacles are worth recalling. They include the following:

(a) Attitudinal barriers: Because of historical links, there was, and still is, an ingrained tendency throughout the official international development community - multilateral, bilateral and recipient - to assume that all sources of valuable technical assistance are from the industrialized North. This in itself has tended to obscure the need for countries to diversify their intellectual and technical sources. Compounding these problems was the widespread misinterpretation

of technical **co-operation among** developing countries in equating it with the use, as **such**, of project experts from other developing countries or organising inter-country programmes, projects and regional technical meetings and seminars along traditional lines. Similar confusion also characterised the relationship between **economic** and technical co-operation among developing countries, with the result that technical co-operation, a supportive **instrument** for economic co-operation, was **neglected**.

(b) **Inappropriate policies and procedures:** To the extent that decisions and actions by development co-operation managers are shaped **or influenced** by the programming policies and project formulation and financing procedures under which they operate, policies and **procedures** designed to mobilise technical assistance along **traditional lines** are unlikely to be adapted to **the** promotion of genuine techniques **and** modalities of technical co-operation among **developing** countries. Changes are necessary to create a favourable environment within which development practitioners can apply initiative and imagination.

(c) **Lack of information on appropriate capacities and results:** The lack of information **on** the technical **capacities, mechanisms and** resources for technical co-operation among developing countries, and on the positive results achieved by developing countries through the sharing of **experiences** and expertise, **was reflected** in almost every recommendation of the Buenos Aires Plan of Action; indeed, in a very real sense, the entire Plan depended upon opening up and sustaining, on an ever-increasing scale, an adequate flow of information.

125. The interrelation **among** these factors is evident. **The** use of technical co-operation among developing countries will not be considered by managers of development co-operation unless **they** are aware of the experience and expertise **available in** other developing countries; the risk of being second best will limit recourse to such co-operation **unless** information **includes an** assessment of quality, including, if possible, the **actual** past performance of potential partner institutions. Similarly, a breakthrough in the use of technical co-operation among developing countries is unlikely unless positive results are fully reported throughout the development community, together with a frank assessment of quality and impact.

126. It is against this background that the progress achieved in recent years and the remaining obstacles requiring further action can be **examined**.

(c) **Training requirements**

127. In the immediate aftermath of the Buenos Aires Conference, there were calls for intensive training of technical **co-operation** staff, both within the United Nations system and at the national level. The effectiveness of intensive training efforts in raising **awareness of the scope for action** in areas requiring special attention has been demonstrated in **recent work on**, for example, women in development (regional seminars and workshops **organised by the Joint Consultative Group on Policy**), the environment, the role of the entrepreneurial sector and non-governmental organisations (training **resources** at national and subregional levels). The lack of such action on other important **initiatives** introduced at an

earlier date by Member States through the United Nations system, including technical co-operation **among** developing countries - or indeed programming - has certainly contributed to the limited progress in these **areas**.

128. It is the intention of the Special Unit for Technical Co-operation among Developing Countries to step up its orientation and training activities in 1989. The importance **of** this long overdue initiative cannot be too highly **stressed**. **If** these activities are regenerated and developed on sound, practical lines, and applied systematically within developing country **Governments** and the **personnel** of funding and technical bodies, they could lead **to a major breakthrough in terms of** perception, knowledge and **procedures**. Among other **things**, it **would** help to overcome **the confusion** between the **procurement of** services and goods in developing countries and technical co-operation among developing countries as defined at the Buenos Aires Conference, in which the co-operating developing countries bear primary responsibility for the funding and the management of activities.

**(d) Recent experience with technical co-operation among developing countries**

129. While policies and procedures have been refined **in** various organizations, much remains to be done. Despite the significant progress **made, as** the result of initiatives **taken by** the Special Unit for Technical Co-operation among Developing Countries **in** recent years, **such** co-operation **has** largely remained outside the mainstream of United Nations **system** technical co-operation. It **has** been **seen as a** marginal addition rather than as a central modality. Nevertheless, the work launched does constitute a **solid** and necessary platform for further action; it has already demonstrated the scope for **this kind of** co-operation. While the modality has continuously proved its cost-effectiveness, perhaps its **most important feature** has been its appropriateness in **making** available relevant experience and skills from relatively similar socio-economic circumstances.

**(i) Inter-country programming exercises**

130. The inter-country programming exercises undertaken **by** developing countries with the support of **the** Special Unit for Technical Co-operation among Developing Countries have formed **the** nucleus of the above work. The aim has been to identify **developing** country capacities and **match them with the** needs of a number of other developing countries. It **is** estimated that the **large-scale programming exercises** organised to date have resulted in the identification **of about 1,500 projects** involving 87 developing countries. Of these, a significant proportion have **become** operational. Further **analysis** could usefully be undertaken of **the** mechanisms **utilized** for implementation, of the quality of **the** services provided and of the impact **and** follow-up to initial consultant missions **and study-tours**. This would provide a concrete input for training programmes **and help to identify** remaining **obstacles, including** procedures, requiring action by organizations.

131. It **has** been reported by the resident co-ordinators that **some** countries could not follow up **on the agreements** reached at the inter-country programming exercises **because of** budgetary **constraints** and difficulties in **meeting** the local **costs**. **This was** especially true for countries that were undergoing structural adjustment programmes. On the other **hand, for** those countries **which** had the required

implementation capacity, the **agreed** projects have demonstrated their potential **multiplier effect** in Opening up economic link6 **between the countries**. **Several consultancies** for feasibility and **pre-feasibility studies** have been followed, with actual contract6 being awarded for the **construction**, for example, of a **ship-breaking** facility, shipyards, and textile **and fertilizer** manufacturing facilities.

132. The Special Unit for Technical Co-operation among Developing Countries is making **efforts** to **intensify this** kind of activity and to improve the **programming process**. Among the interesting recent initiatives have been the concentration of such exercises on specific **sectors - industry in Pakistan**, aquaculture **in** Latin America (with the involvement of the Inter-American Development Bank, **FAO** and **AQUILA**), the maritime sector with the co-operation of the International Maritime **Organization**, and **food** and agriculture **in the Philippines**. Another approach currently being explored in a number of **countries** is a needs-focused programming **exercise, identifying those specific** requirement6 for which technical co-operation among developing countries has technical and **financial** advantages. In all **these exercises**, relevant **specialized** agencies are **involved in assisting** Governments in formulating project **proposals**.

133. Among the **lessons** that can be drawn from experience **with** this approach to the promotion of technical co-operation among developing countries is the need for **specific** capacities for identification and implementation within developing country administration6 and institutions. Many countries **have** well-established **structures** to promote bilateral co-operation among developing **countries**. They include, among others, Argentina, Brazil, China, Cuba, India, **Indonesia**, Malaysia, the Democratic People's Republic of Korea, Pakistan, the Philippines, the Republic of Korea and Tunisia. Such **countries are** better placed to **participate in** the process. Capacities **are also** required in partner **countries-to** receive and **utilize** inputs effectively. **Despite** the widely recognised value of such exchange, **organizational weaknesses** probably have been and still **remain a major** obstacle to these exchanges among developing countries.

134. These programming exercises have been financed to date from the Special Programme Resources of UNDP, under which **an** expenditure of \$6.6 million has been **approved** for the promotion of technical co-operation among developing countries **in the** fourth cycle (1987-1991). This is a negligible amount compared to the resource6 available annually for technical co-operation through the national indicative planning figure. **For** the biennium 1987-1988, **only some \$US 6.5 million** (or **0.6** per cent of total **resources** available under national allocation) was **utilized** for such activities, mainly through the 31 so-called umbrella projects, executed **by Governments** or **by the Office of Project Services**. These **resources** are mainly intended to **cover foreign** exchange costs. **Here, too**, an analysis of results achieved in term6 of stretching **limited resources** would provide a **useful basis** for **consideration of** such scheme6 by other countries.

135. **The very success** of programming **exercises** for technical co-operation among developing **countries**, and the allocation of **special drawing right (SDRs)** and national indicative planning figure6 (**IPFs**) for **action-oriented technical co-operation among** developing countries, serves to underline the magnitude of the

challenge, This challenge remains **the integration** of this kind of **co-operation** as a cost-effective **and** technically sound modality to be drawn upon far more widely in the implementation of programmes and projects undertaken through the **United Nations system**. Many opportunities have been **identified**; experience has yielded useful **lessons**.

**(ii) Networking and twinning in project execution**

136. One of the **most** promising means of promoting technical co-operation among developing countries has **been** direct exchange between institutions through networking. This has taken several forms. National resource allocations have been devoted to the strengthening of capacities of technically qualified institutions to **meet** the requirements of other countries. This has **been** the case, for example, with aquaculture centres, primary health care systems, acupuncture training institutions and small-scale hydraulic projects in China. **Under many** such schemes, especially in Asia, technical capacities have been strengthened in areas of interest to other countries, language facilities extended and diversified pedagogical methods introduced. **Similar work** has been undertaken, with **UNFPA** support, in the field of population, particularly in developing regional capacities in the area of census taking, demographic analysis and biomedical **fertility-related** research.

137. In regional programmes of UNDP, **the** approach has been taken a step further with the **establishment of lasting** collaborative arrangements **among** technical institutions in several countries. The **aim** is to achieve self-sufficient co-operative organisational arrangements between designated national institutions in a **particular** development sector. These are designed to provide for a sharing of experience, expertise, knowledge and resources in order to carry **out** joint **programmes of information exchange**, research, training and consultancy services on a cost-effective **basis**.

138. **At** the country level, technical co-operation among developing countries has been used by most agencies at one time or another. It has been used frequently, with **successful** results, through twinning arrangements between institutions of developing **countries**. This formula has **been** recommended **by** several resident co-ordinators as a basis **for** broader application of technical co-operation among developing countries **in** the execution of projects; it reduces dependence on the availability of individual experts and consultants and **reduces** the supply **base** of inputs.

**(e) Programming procedures**

139. **Effective** promotion of **technical** co-operation among developing countries at the national level will depend upon its permeation of the project identification, formulation and appraisal process. Current procedures are hardly conducive to a positive **search for** contributions from other **developing** countries. **There** is considerable scope for **more systematic** screening of project proposals in terms of their potential for technical co-operation among developing countries, with reciprocal obligations on each partner - on Governments, to accept, **and indeed** encourage, the presentation of **alternatives to traditional** forms of technical

co-operation; on the specialized **agencies**, to **examine** the modality from the technical point of view for all projects; on the UNDP and other funding **organizations**, at country level and at headquarters, to monitor the **review** Process, integrate information from central data banks, and advise developing countries of opportunities for co-operation among **them**.

140. Procedures throughout the programme and project cycle should be **reviewed** to ensure that **this** modality is taken into full consideration, that obstacles to its **utilization** are removed, and that specific measures are **introduced** to redress the current imbalance through positive **action**,

141. Within UNDP headquarters, such concerns could be integrated **more fully into the various** policy review and appraisal mechanisms. Direct involvement of the Special Unit for Technical Co-operation among Developing **Countries** would provide an opportunity to explore possibilities more **systematically at the early stage** of project design.

142. The **single most** crucial need, however, is for it to **become** standard practice for programme staff of the United Nations **system** to search for and identify possibilities of using this kind of co-operation for new activities, well before projects reach appraisal or approval machinery, **instead of** relying on post-Ecto checklists to integrate such activities. The separation of the project identification **from** the detailed formulation phase should help in this **regard**. The focal points in other funding organizations for technical co-operation among developing countries could play a similar **role at these crucial early stages**.

143. In the specialized agencies, project designers and consultants on formulation missions need to be fully briefed on what technical co-operation **among** developing countries can achieve, and to be provided with relevant material on capacities and successful **work** being undertaken in other developing countries. Consultants engaged in technical review of preliminary proposals should be similarly **oriented and** equipped. The wealth of experience available within the **agencies**, combined with access to the Technical Co-operation among Developing Countries Information Referral System, makes such permeation entirely feasible, and should provide the **basis for a major** contribution by the agencies to greater recognition **and use** of developing country capacities.

(f) Data sources and technical information

144. As mentioned above, and as suggested by resolution 421196, the key to **substantial** and durable progress is information. Bringing together technicians and aid co-ordinators in the programming exercises has achieved **significant results**. But there **are** other **forms** of information that exist and can be used **more systematically**.

145. These include, as mentioned above, the Information Referral **System** managed by the Special Unit for Technical Co-operation **among** Developing Countries. This **computerized data** bank was initially built in 1977 around **UNDP-financed** projects that had resulted in the establishment of viable institutions. To this was added information from **sectoral** rosters, especially those of the specialized **agencies**.

Questionnaires were then sent to the Governments of developing countries, together with information from the roster for review. Many institutions were added as a result; some were deferred since they did not yet meet all the criteria of technical and institutional quality and availability to participate in such co-operation.

146. This information was made available to Governments (central co-ordinating bodies, the focal point for technical co-operation among developing countries; sectoral ministries, listed institutions), country offices and the specialized agencies,

147. In 1983 the accumulated information was recorded in a computerized data base. Detailed information on some 4,000 registered institutions is now available. The Special Unit for Technical Co-operation among Developing Countries updated its information base in 1988-1989. It contains information on education, training, research and technological and consultancy services, and covers institutions from the public, parastatal and private sectors. Information is provided on the fields of specialisation, facilities available, staff resources, the origins and evolution of the institutions, their financial resources, and their experience in development work both nationally and in other countries.

148. Information on manufacturing capacity is not included in the Information Referral System data bank - it is shared with the Inter-Agency Procurement Services Unit as an input to the latter's work on the diversification of procurement. However, since supply of equipment plays an increasingly important role in technological exchange and could represent a promising area for additional forms of technical co-operation among developing countries, it would seem important to ensure adequate links between these two operations, and to include in reports on technical co-operation among developing countries information on equipment and supplies that comprise specific technical and financial contributions from the developing countries.

149. The Information Referral System data bank is still underutilized. The onus is on Governments and country offices to use it. In one attempt to accelerate the Process, without specific request to it, the Special Unit for Technical Co-operation among Developing Countries did provide country offices with all relevant information on potential partners for known pipeline projects. Most of the offices, however, complained that this resulted in their being flooded with information which could not really be used since the projects funded under the indicative planning figure were largely still being designed for execution in the traditional manner and it arrived after the selection of the execution modality.

150. The problem remains, therefore, how to stimulate appropriate and specific requirements, enabling the system to respond more meaningfully. A key problem is the lack of sufficient quality control over stored data to give project personnel and the United Nations country offices confidence that they are receiving information on the best available technical capacities among the multitude of developing country institutions. It is felt that the current reliance on endorsement by Governments of institutions to be registered in the System is insufficient, since they cannot always make the thorough assessment that is needed

using standard **criteria and data** requirements, **The Special Unit for Technical Co-operation among Developing Countries** attempt to **collect** supplementary **information** during country missions. Since 1988, arrangements have also been made with **specialised agencies** to **scrutinize** the data base in their areas of **sectoral competence**. However, there is scope for further work in this area. Confidence in the technical quality of the information base would be greatly enhanced if a **system-wide effort** were made to assist Governments in undertaking capacity **assessments** as a means of **reviewing** the content of the Information Referral System and identifying additional **centres of excellence**. The **specification of detail and quality requirements** for the information base could also usefully be reviewed with potential users, and brought into line with those applied for other sources of technical input. One **encouraging development** is a recent decision by UNDP's Office for **Project Services** to use the System's data base for **identifying** developing country **institutions for project execution**.

151. It is also apparent that **in many areas** (e.g. in higher education **and research**) the **headquarters or regional offices of the specialised agencies** and the **regional commissions** have well-developed rosters of qualified institutions and individuals. The **country offices** - whether of the **specialized agencies** or of UNDP/UNFPA and UNICEF - also often have information on local capacities. Linking these sources with the **Information Referral System** and with computerised data banks within the developing countries' own administration, universities and chambers of **commerce** would be a major contribution to establishing the information network upon which the wider use of technical co-operation **among** developing countries depends.

152. There is **also** scope for improving information on the **demand side**. In addition to beneficiary-focused country exercises, mechanisms do exist, particularly the **Technological Information Pilot System**, to rapidly circulate information on specific technical co-operation requirements to potential public and private sector partners in **other developing** countries. As the **Technological Information Pilot System** network expands to more countries, and to more institutions and enterprises within those countries, it can be expected that more specific opportunities for **adapted technical** co-operation will be identified.

153. The implementation of such **co-operation under** technical co-operation among developing country arrangements will, of course, depend on the availability of **financial** support both within the supply country and with the potential beneficiary country. Here again information has its role, ensuring that the potential partners are aware of the **kinds of financial support** they can receive from national **resources**, complemented where appropriate by external sources. As developing countries develop their own funding mechanisms, institutions, and procedures, as regional banks adopt **special** facilities for this kind of co-operation, and as a broader **range of** external partners make special **resources** available, the development of information **systems** on such facilities would also be **useful**.

(g) Developed country support for technical co-operation among developing countries

154. Given the importance of the constraints mentioned above, mixed forms of co-operation may also facilitate and strengthen direct co-operation among **developing countries**. This was, indeed, specifically envisaged in the Buenos Aires Plan of Action (recommendation 36). 5/



155. Utilization of developing country capacities under traditional externally financed schemes, especially if organized on an institutional rather than an individual basis, can enlarge knowledge of technical co-operation among developing countries: twinning represents a logical next step. It should normally be accompanied by the gradual reduction of external support, although continuation of such support might be justified for longer periods if it covers costs and provides incentives in foreign exchange, since this would enable the institutions involved to participate more easily in world-wide technological exchange. Ensuring that training takes place at least in part in other developing countries - for example by reversing the traditional model of academic training in the industrial world plus study tours or refresher courses in developing countries - would also build more awareness of the development experience and capacities actually available for technical co-operation among developing countries.

156. With a view to broadening perceptions and mobilising support for implementation, the Special Unit for Technical Co-operation among Developing Countries has recently issued invitations to some developed countries as observers, selected by the host country, to attend programming exercises. Greater attention to the Plan of Action's recommendations to developed countries to support this kind of co-operation can thus assist in its expansion without deviation from basic principles.

#### (h) Conclusions

157. It is anticipated that provided technical co-operation among developing country activities and their benefits are fully reported, their real benefits will be demonstrated by experience in terms of their contribution to collective self-reliance] of identifying more appropriate technologies and expertise that are better adapted to socio-economic realities: of optimising the use of limited foreign exchange resources; and as a means of reducing the risk of technical co-operation resulting in an increased brain drain of valuable and scarce qualified specialists. In addition, for those countries whose evolving development status is reflected in declining recourse to grant funding, this kind of technical co-operation could build new relationships within the operational activities of the United Nations system. Its costs and institutional requirements will also be better understood. Indeed, when budgetary resources are at their lowest, the use of technical co-operation among developing countries should have the highest consideration. The capacity-building required will be undertaken and procedures involved will be mastered. In this way, the technical co-operation among developing countries modality could be expanded not only within the United Nations system but also as a favoured mechanism for utilization by other external co-operation programmes.

### 3. Diversification of procurement

#### (a) Background

158. Procurement from developing countries serves not only to complement the component of development co-operation that relates to technical co-operation among

developing countries, but often has a direct bearing on programme content and implementation through more appropriate, rapid and often more complex inputs. When purchases are made locally, they can also contribute to varying degrees to the stimulation of the national economy. Procurement from developing countries is thus another modality for increasing collective self-sufficiency.

159. Some donor countries have underutilised but appropriate technology, high-quality expertise and training facilities. To mobilise these inputs, specific sectors could be linked to these potential sources of supply through the development of specialized information networks.

160. The General Assembly addressed these issues in paragraphs 27, 28 and 29 of its resolution 4211/96. In resolution 43/199 the Director-General was requested to submit recommendations on innovative, practical and effective measures to increase substantially procurement from developing countries,

161. To this end, the Director-General and the Administrator of UNDP engaged the services of two independent consultants to review possibilities of further diversifying procurement within the United Nations development system. Their findings are being made available as a technical paper in connection with this report.

162. Available statistical data, although somewhat incomplete, suggest that over the past 10 years, procurement of equipment and award of subcontracts from all developing countries has increased from around 5 per cent to approximately 22 per cent of total procurement within the United Nations system. This increase is almost certainly a result of a general expansion of procurement capacities, combined with concerted action within the system.

163. A review of all project inputs indicates that, except with respect to major hardware procurement items such as vehicles and electronic equipment, the global outlook of developing country procurement is relatively encouraging. Much progress seems to have been made. For example, the overall proportion of services (experts, consultants and subcontracts) from developing country sources appears to be over 40 per cent.

#### (b) Overcoming constraints

164. The agreed aim of the organizations of the United Nations system is, however, further to increase this trend. The question thus arises whether specific targets should be set with this in mind, or whether the present natural trend should simply be encouraged and reinforced. While it is true that the establishment of quantified targets would assist in monitoring and evaluating progress, and allow each agency to report to its legislative body on results achieved and actions taken, it is felt that it is mainly through removing a series of remaining constraints and by reinforcing certain measures that procurement from developing countries and underutilized donors can be further increased. Under these circumstances, setting quantified targets, in the view of the consultants, may perhaps distort perception with regard to the progress already achieved, rather than contribute to further effort.

165. The **constraints** to **increased** overall procurrment of **goods** and services **from underutilized sources** are **numerous** and complex. **The** following aro **some** of the **options** that might be **considered** in order to **eliminate some** constrainta, help simplify **others**, and **thus** enhance **prospects** for further natural diversification of procurrment,

(c) **Attitudes, data bases and information**

166. Attitudinal barriers in recipient **Governments** and in project and United Nations organisation etaff do **exist** to **various degrees**. **This** has been noted in several **reports**. Common **efforts** by all concerned parties through better **information** packages and wider dissemination of data will contribute to overcoming such barriers. **This** is a long-term **process** that will require **time**, focused efforts and strong commitment. Its impact on overall procurement **from** developing countries would probably be significant.

167. Data bases or rosters of suppliers, **as** they presently **exist**, are seriously **underutilized because** they **are** incomplete, poorly publicised, and incompatible with each other and, too often, rapidly become outdated. Better and **more** systematic compilation of data is a **must; specific** instruction8 to **this** effect **should** be given by the senior managrs of all concerned entities **to** their procurement officers. Standardisation of systems and procedures between all **organizations** and **bodies** of the United Nations **system** in **this** area is **also** required. **As** a first step, existing data **bases** could be linked. The Inter-Agency Procurement Services Unit (**IAPSU**) could act as co-ordinating body for this endeavour.

168. Other information barriers also exist. On the demand side, information is practically non-existent. Even within the United Nations **system** itself, procurement officers from individual organisations do **not** share **their** information, and **meet** only very rarely to compare notes, perhaps **once** a year if at all. Institutional **mechanisms, such as seminars**, data bank linkages, **regular visit6** to other United Nations bodies and to country **offices**, would help to remedy this situation,

169. **Trade** fairs throughout the world provide excellent opportunities to identify suppliers and collect useful information on both potent al supply and demand. Attendance of procurement staff at these fairs would be useful and might be financed from the administrative travel budgets. In any came, information on fair6 should be widely disseminated.

(d) **Demand identification**

170. **A** special effort could be made to **more** systematically canvas the demand **from** developing countries, identifying needs, problems and expectations, in order to formulate more appropriate procurement responses. **A** demand-oriented strategy is **as** important, if not **more so**, than an **unfocused** effort **to** identify new supply **sources**. **As this is** an ongoing **process**, **such** a demand analysis could be undertaken by the **country offices** and co-ordinated by the procurement sections at **headquarters**.

171. A certain advantage could also be gained by identifying in a systematic way the bulk items required and matching them to developing countries, instead of spreading resources around without any clear target. IAPSU could help identify and specify these items.

(e) Supply initiatives

172. The requirement to identify within project documents possible sources in developing countries of supplies, equipment and services, and to brief project consultants on procurement policies, is very likely to show positive results. Moreover, new sources of supply could be sought out, identified and tried. The widespread use of short lists, based on traditional sources of supply, can become an obstacle to identifying new sources unless master lists are continuously updated and enriched. It would be useful to decentralise decision-making with regard to the choice of supplier to the project managers at the country level.

(f) Procedures and premiums

173. Procurement procedures, catalogues, documentation, and rules and regulations could be simplified and harmonised through consultation and negotiation, thus reducing the burden on country level staff, government officials and suppliers. All concerned United Nations system bodies, including the World Bank, could contribute to this effort,

174. Clear directives to the programme staff in United Nations organizations are required, specifying procedures and policies and translating the legislative principles of the United Nations bodies into working tools for procurement. Related rules should be amended to bring them into line with the directives to give preference to developing country sources, thus removing potential conflict with regard to the requirement for international competitive bidding. Good communication channels and the participation of procurement staff in early stages of project implementation will contribute to reaching these aims.

175. The allowance of a 15 per cent premium to developing country suppliers appears to have had little impact on increasing procurement. The consultants suggest that this could possibly be discontinued in favour of a more decentralised, country-level decision-making process by directly involved programme and project managers. A first step in the process may be to increase the use of local procurement.

(g) Underutilized donor sources

176. As regards the underutilized donors, considerable efforts have been made to increase procurement from them, but results have been inconsistent. The consultants suggest that it might, however, be possible to consider placing relatively small orders - those below bid requirements - for specific items directly with selected firms in these countries. They also suggest that consideration could be given to accepting additional contributions that are tied to supplies from underutilised donors. To avoid such tied funds becoming obstacles to procurement from developing countries, it would be necessary to introduce special

clauses to protect and promote the latter's interests. This could, however, impose an additional burden on administrative services, and would require careful consideration before proceeding.

(h) Role of the International Trade Centre

177. Increased technical assistance through the International Trade Centre could be an interesting and useful **medium-term** to long-term solution to **increase procurement** in developing countries. With its mandate for export promotion, import management and procurement, the International Trade Centre can provide valuable assistance in this effort. It is particularly well placed to undertake work on the technical **aspects**, such as quality considerations, standardisation, transport facilities and trade information. The **Centre** also can provide a wide range of advisory services (consultants, **seminars**, information **systems**) to national operators engaged in import and export activities. Thus the so-called natural market forces **can** be reinforced with the direct development of import and export competitiveness. Closer, direct co-operation between United Nations procurement units and the Centre could be **most** beneficial to enhancing market knowledge and training of procurement staff.

(i) National service groups

178. **It** has been suggested by the International Trade Centre that one **area** where there is real scope for increased procurement in developing **countries is in the** local or subregional supply **of** basic relief or other commodity **items such as those** required for **refugees** and **other** displaced populations. To facilitate such in-country procurement, it **might** be useful to establish national service groups. These **small units would** collect information on locally available products and monitor information on **the** procurement intentions of external assistance programmes (multilateral, **bilateral** and non governmental **organizations**), obtaining information from external partners as well **a**, from government **co-ordinating**, planning and **sectoral** ministries, local **authorities**, and **so on**. The unit would provide **information on** local supply possibilities to government aid managers and to donor representatives, and encourage both to utilize local facilities whenever **they are** competitive and fully **meet requirements**.

179. As such units, which might initially benefit from technical advice and training, **become** operational, they could be linked together to form subregional networks (or feed into existing ones). This would **be** particularly appropriate in **areas** where **customs** unions **or** preferential trading arrangements exist or are envisaged.

(j) Conclusion

180. Despite some progress, it would still appear that repeated **General Assembly** recommendations to bodies of the United **Nations** system to take steps to **increase** procurement from developing countries have yet to be fully heeded. **A** better balance **in** procurement by the United **Nations** system world wide could certainly be achieved in a relatively short period of **time**. What is required is the will to act and the flexibility to adapt. Constructive solutions will be found **by** exploring ideas and suggestions such as **those made above**.

### III . MAKING THE SYSTEM MORE EFFECTIVE

#### A. Resource mobilization

##### 1. Overview

181. The annual resolutions on operational activities adopted by the **General Assembly** have traditionally reserved an important place for issues relating to resources. Without a steady increase in funding in real terms, it is impossible for the United Nations development system to respond to the growing volume and complexity of demand for operational activities,

182. The sustained support of developing countries for the United Nations programmes fully justifies the finding of the Jansson report (A/42/326/Add.1-E/1987/82/Add.1, annex) that the real value of assistance from the United Nations system lies in its multilateral and non-political character, the position of the United Nations agencies as impartial aid partners, and the fact that assistance is provided on a grant basis. The report's view that the importance of assistance from the United Nations system goes much beyond its value in terms of its contribution to the volume of aid flow, has indeed been specifically endorsed by almost all of the governing bodies who have commented on the report and its recommendations.

183. Given this clear recognition by Member States of the comparative advantages of the United Nations system, it is particularly disappointing to note that resource flows remain sluggish and are characterized by uncertainty. Attention tends to be focused less on the provision of adequate funding than on important, but secondary, issues relating to the distribution of contributions and allocation of resources, and to funding mechanisms and administrative costs. The Director-General for Development and International Economic Co-operation notes, however, that these issues are nonetheless related to the broader question of overall resource levels. He will, therefore, maintain an analysis of these specific issues on the assumption that improvements in burden sharing, agreement on the allocation of available resources, clarification of funding mechanisms and reduction of administrative costs will help to transform clear and repeated expressions of confidence and moral commitment into increased pledges and easier replenishments.

184. The pledging conference held in November 1988 was relatively encouraging. Reported increases in contributions to the core funds of the principal funding bodies were registered as 7 per cent for UNDP, 12 per cent for UNICEF, and 12 per cent for UNFPA (despite the continued absence of one major donor). Yet these resources are modest in comparison with needs and with total official development assistance. The overall total of grant and concessional aid channelled through the United Nations, while attaining some \$6.3 billion in 1987, continues to represent some 12 per cent of official development assistance.

185. Multi-year pledges remain as rare as ever; optimistic targets by managers of the core funds are considered unrealistic. Uncertainty over future resources and expressions of public concern in some countries appear to be linked to doubts over

effectiveness, problems with burden-sharing and an **unsatisfactory distribution** of procurement.

186. A fuller analysis of **some** of these issues, based on preliminary **comprehensive** data for 1988, will be **made** available to **Member States** prior to the 1989 pledging conference. It will include a presentation of responses to a **questionnaire** sent to **Member States** in April 1989 on the **basis** of General Assembly resolution **43/197** concerning their performance with regard to globally adopted official development assistance **targets**.

187. A thorough review of **some of** the long-standing issues **relating** to resources could provide **the** basis for a major new initiative. **Such an initiative** could draw on a more **systematic** analysis of needs and costs, build on proposed improvements in **the utilization** of resources, and take **into** account **the more** favourable economic and financial situation of **many** of the **industrialized** countries. It would **aim to ensure** that the proportion of resources made available for international **co-operation** through the United Nations **system** reflects the rapid growth **assumptions** upon which the **reforms** introduced or proposed since the Consensus have been based.

188. Positive lessons can be drawn from the experience with **resource mobilization** at the country level, whether for **emergency** and humanitarian relief, to underpin economic reform and development through structural adjustment loans, or for support of public **investment** programmes. For example, in the case of each of **the** round tables organised in 1988 with the assistance of UNDP, announced contributions **have** exceeded the overall resource requests presented to development partners.

189. What is now needed is **to generalize** this success. This would require the following **elements**: (a) to ensure that each funding institution has a clear funding strategy; (b) to **provide that** targets, while realistic, fully **match** improvements in the financial situation and include proportional effort, where needed, in according priority attention to multi-year commitments in periods of **budgetary austerity**; (c) to improve **information on** the scope and purpose of various funds **and** programmes in order to facilitate rational choices by donors; **and** (d) to ensure more adequate **information** flow on the use of resources, with special **attention** to enhancing the understanding of funding mechanisms in **countries whose** economic performance enables **them to** provide major additional contributions for **development co-operation**.

## 2. Implementation of the central funding concept

190. For the present report, in accordance with paragraph 11 of **resolution 42/196**, an analysis is made of issues relating to the implementation of **the** central **funding** concept. The following presentation is based on the findings of two **independent** consultants retained **by** the Director-General for Development and International Economic Co-operation in 1989.

191. Their **report is made available as technical paper 4** in connection with the present document. In addition to a **general review of the overall funding situation of international technical co-operation over the the past 25 years**, it reflects **views obtained through visits to donor countries, organizations of the United Nations system and some recipient countries**. The **first** are noteworthy, primarily **because of the direct impact of donor decisions on funding patterns**. It should also **be noted that consultation on this subject constitutes the first element in the study of co-ordination practices in a few selected donor countries requested in paragraph 20 of General Assembly resolution 41/171**.

(a) Definition of central funding

192. Although there **has never been a clear definition of central funding in intergovernmental forums**, three interpretations **have been advanced in debates on the issue**. **One**, which figured prominently in the Capacity Study of 1969, referred broadly to the **channelling of all resources of the system, intended for operational programming of development co-operation, through a single fund, to be achieved through the gradual amalgamation of existing funds**. A second interpretation **covers all resources made available for technical co-operation through the United Nations system**. It would include **UNDP and UNFPA core resources, the development co-operation activities of UNICEF, WFP, other funds administered by UNDP, the trust funds and special purpose funding through the specialised agencies as well as their assessed contributions, and resources made available for technical co-operation on a concessionary loan basic (principally through the International Development Association (IDA) of the World Bank and the International Fund for Agricultural Development (IFAD))**. The third interpretation, which is that analysed by the **consultants**, relates basically to the relative shares of multilateral grant **resources for technical co-operation mobilized respectively through UNDP and the specialised agencies**. The **concept of central funding is taken in this respect to mean, essentially, channelling through UNDP of resources made available through the United Nations system for technical co-operation**.

193. **The definition of technical co-operation adopted by the consultants is: "activities undertaken to promote economic and social development and well-being by enhancing human and institutional capabilities through the transfer, adoption, mobilisation and utilization of skills and technology. Furthermore, technical co-operation should be seen in terms of output or results to be achieved, and the activities involved may include a wide variety of inputs, including equipment and material supplier."**

(b) Evolution of central funding

194. From the historical perspective, it **is observed that from the establishment of UNDP in 1966 through the first 10 years of its existence, practically all United Nations system grant resources for technical assistance were channelled through the Programme, so that it was in effect the central funder**. It was assumed by the **authors of the Capacity Study**; that this would continue to be the **case**, and indeed that **the central funding role would be strengthened**. Many of the **propose** contained in the study **were based on the assumption that there would be a massive**



and sustained increase in the **resources** pledged to UNDP, and that these **resources** would be provided on an assured, continuous and **predictable** basis. This was also implicit in the Consensus resolution of 1970, which enunciated the principle of the **responsibility** of the **Governments of** developing countries for the management of development co-operation, including the **establishment of priorities** and the allocation of **resources**, and which **introduced a series of interrelated** measures to reflect this **principle in practice**. These **included the** introduction of indicative planning figures - distributing **some** four fifths of **the** contributions to UNDP **among** individual participating developing countries - **as well as country programming**.

195. Resource mobilisation developments **since 1970 have** been **very** different from those anticipated. UNDP indicates that, when expressed in special drawing rights (SDR), growth in UNDP core funding **since 1972 has been steady and** harmonious. There has **been, however, no massive increase** in real terms in these **or** other core resources. Overall, there has **been a steady broadening of** the distribution of resources **for** technical co-operation, from grants to loans through the World Bank and regional development banks; **from general purpose funds to sectoral**, thematic or country-specific funding **through** UNDP or through agency-managed special purpose or trust funds; **from fully multilateral, totally untied funding**, to additional channelling **of** bilateral contributions and recipient financing through the **management service mechanisms of** UNDP and the specialised agencies.

196. Several factors appear **to** have contributed to this development. Firstly, the diversification of funding reflected the wish **of** the **donor** community and many partners **in** the developing countries for multilateral co-operation to focus **on** newly emerging themes that tended to receive relatively low initial priority in the overall distribution of general **resources**. **In** this respect, it is useful **to** note that the fastest-growing **resources** channelled directly to specialised agencies and regional **commissions** have been particularly those provided in support of global **and** regional initiatives, as well as national programmes **of** a pilot nature capable of **replication**. Secondly, it has proved increasingly difficult for donor Governments to justify to parliaments and the general public substantial **increases** of resources to **meet** general development **purposes**, amid strong concern to **reach** the poorest groups in populations. Thirdly, financial management problems within UNDP, culminating in the liquidity crisis of 1976, contributed **to** general uncertainty, encouraging both recipient **Governments** and **their** partners **in** the **specialized** agencies to look elsewhere for the **resources** required to implement agreed programmes. Fourthly, doubts have been expressed over the effectiveness of **the** programming process ever since the introduction **of** country programming.

197. The result has been a relative diminution, since the mid **1970s, of** the originally postulated central funding role of UNDP, and **more** particularly of core funding within **UNDP, as the** main source of technical co-operation financing within the United Nations **system**. The various **alternative mechanisms and arrangements** that have emerged **have** become accepted **features**, and many have benefited from far higher rates of growth in resources than the **core** funds.

(c) The current situation

198. This evolution has not only transformed the funding picture. It has contributed to a considerable muddling of functions, responsibilities and areas of competence. Organisations of the system have been faced with the challenge of building and maintaining, through lengthy periods of budgetary austerity, the necessary capacity to provide effective technical co-operation inputs - the field office network in the care of UNDP; technical and administrative backstopping resources in the case of the specialised agencies. In such circumstances, many organisations within the United Nations development system have tended to encroach upon the traditional terrain of others.

199. Thus UNDP, which was initially expected to be the central funder, has become increasingly involved in project execution, a role for which the agencies consider that it lacks the technical capabilities as well as in management services for supplementary bilateral contributions and self-financing from some developing countries; and the agencies, which were originally expected to concentrate their capacities on design and implementation of technical co-operation projects, have become more active in resource mobilisation. To donors and recipients alike, UNDP and the specialised agencies appear as competitors for the utilisation of limited resources, whether those made available on a voluntary basis as grants, or those funded by the developing countries from national resources or development loans.

200. All sides have expressed concern and misgivings over this situation, particularly since it can be time-consuming, distracting effort and resources from development co-operation itself and involving duplication of capacities. It has placed considerable additional burdens on the development co-operation managers at the country level, rendering the task of co-ordination more complex and more difficult.

(d) Reactions of Governments

201. Member States have regularly expressed their concern over this situation, notably through repeated calls for the restoration of central funding. However, since the central funding concept seems to have been honoured more in the breach than in the observance, there would appear to be important underlying problems that require further attention. These include clarification of how Governments really wish the various components of the United Nations system to work in harmony in the area of technical co-operation, and ensuring that coherent policies are systematically applied by the same Governments in different forums.

202. The consultants note from their contacts with representatives of the developing countries that particular importance and value is attached to multilateral channels for the provision of technical assistance, although they also suggest that major improvements are required to ensure its relevance and effectiveness.

203. In reiterating the special character of the technical co-operation provided through United Nations institutions, developing countries indicated their preference for funding under indicative planning figures over other arrangements.

In particular, it was thought that it facilitated the task of national development managers in keeping the **focus** on overall national objectives **and** priorities, and in achieving required coherence **and** co-ordination **of** external **funds** and resources for technical **assistance**.

(e) Overall volume of resources

204. It was **noted**, however, that developing countries were equally and, in many **cases**, primarily concerned with the volume of resources available to underpin their development efforts. The **consultants refer** to the concept **of** additionality, which has been frequently advanced as one **of** the main justifications for special purpose funding. **From** the information provided by the majority of donors visited, it would seem that this concept **is** also subject to **varied** interpretations. **The** consultants themselves consider that it deserves further study.

205. For the **sectoral** ministries or specific beneficiaries in the developing countries, additional resources certainly can be mobilised through special purpose funds. It **is also** probable that the multiple efforts of **the** organisations of the United Nations *system result in a larger stars of official development assistance* being provided through multilateral channels, thus bringing it within the scope of potential collaborative programming initiatives. What appears far less certain is the impact on overall official development assistance. Additional **resources** may have been made available from **sectoral** budgets within the donor administrations; resources may **now reach** the beneficiaries in the developing countries through the United Nations **system** rather **than, for instance, through non-governmental** channels. However, according to the **consultants**, the drifting away from central funding as originally postulated appears to have resulted in the same pool of resources being divided by **donors** among **an** ever-increasing number **of** institutions or mechanisms.

206. As the consultants observe, "notwithstanding the undoubted validity and relevance **of** several of the **new** themes or issues which have been funded **by** donors, the end result, when one looks at the overall situation, has been to render an already fragmented system even more so: it is not at all clear whether there has been much real gain to recipients. There is a **need** for donors to take **a** fresh, careful look at what has happened and to assess the total impact, especially upon recipient countries, **of** the current funding arrangements." They further suggest that the evolution of funding patterns may have at least something to do with the general **impression** that technical co-operation has not achieved the full impact anticipated.

207. The **consultants** conclude that under prevailing **circumstances**, central funding - in the sense of resources **for** technical co-operation **activities**; within the United Nations development system **being almost** exclusively concentrated in UNDP - does not **seem to be** a viable **proposition**; the diversification of funding arrangements **seem** to have gone too far and become **too established** within the polycentric United Nations operational **system**.

(f) Conclusions

208. The original premises of the **central** funding concept **were** perhaps twofold! that it would facilitate and **encourage the** steady commitment of donors to strong and growing multilateral co-operation through the **United Nations system**; and that it would **facilitate cohesive** and optimally **effective** development programming led by recipient **countries**.

209. It **is significant that** the diversification that has evolved instead has not led to these goals being abandoned but only to a new debate as to whether central funding **is essential** to their realisation. Yet it must be noted that alternative **conditions** under which the goals envisaged for **central** funding might be met have not been fully realised. On the contrary, the overall volume of resources for United Nations technical co-operation **in the form of grants**, no matter how they are now channelled to developing **countries**, remains far below what is required by them. In addition, as has been noted in other chapters of **this** report, there has been only partial application of the principle of recipient-led programming. Yet again, there has been only limited progress **in** undertaking collaborative multi-sectoral activities, or **in** adopting common procedures. And the **possibility of** the resident co-ordinator remedially pulling together so globally diversified a system **at the country** level still remains to be demonstrated.

210. At the heart of these issues, as at the heart of the basic polycentric funding and executing structures, is the constantly and universally reiterated centrality of the **recipient countries**. The consultants note that "what was previously a straightforward and simple relationship with **clearcut** modalities has become a much **more nuanced** and complicated one. In view of the changes in the tripartite arrangements", they suggest, "it will be essential that the membership of the United Nations **reflect on** the appropriateness of the existing funding systems - and be prepared to make whatever adjustments are necessary". Having summarised the positions expressed to them, they urge that "it might be more enlightening and useful to place the debate on central funding in terms of a different **approach** - i.e., what would be the best funding arrangement to efficiently and effectively provide multilateral technical co-operation in a sustained manner to recipient countries".

211. If realism dictates diversified funding arrangements, then the other mechanisms mentioned above require closer attention. Yet if progress in achieving recipient-led programming and improved **coherence** and co-ordination at the country level are inadequate, then central funding could acquire a renewed pertinence. The fact that the overall volume of resources for United Nations technical co-operation remains far below the levels required to **meet** expressed needs provides an opportunity for positive remedial action. The proposed doubling or tripling of UNDP **core funds**, if provided as truly additional **resources**, would enable the **system** to respond to a greater part of the demand, and at the same time restore **the Programme** to its central funding position, without detracting from resource mobilisation for special **purposes** to address new and urgent specific **needs** identified by member States,

## **B. Programming of operational activities**

### **1. Background**

212. **In** paragraph 15 of its resolution **42/196** the **General** Assembly requested the Director-General for Development and International Economic Co-operation, in consultation with the Administrator of the United **Nations Development** Programme and the Executive Heads of other organisations of the United Nations system to **assess the constraints on the use of UNDP's country programme and programming process as a frame of reference for the operational activities of the United Nations system; to consider the nature, scope and feasibility of a wider, more effective process in terms of improved cohsrencs of action and effective intrgration of the various sectoral inputs of the United Nations system; to identify the grant organizations and resources that such a process might take into account,**

213. An independent consultant was recruited by the Administrator of UNDP, at the request of the Director-General, to **examine** the above-mrntionsd **issues**. His report, which is being made available **as** technical paper 5 **in connection** with the present document, was communicated to concerned **organizationo** of the United Nations system in the second half of 1988 and **was** the subject of positive and constructive **comments**.

214. From their responses, there emerged through **the** Consultative Committee on Substantive Questions (Operational activities) (ACC/1989/10) a broad-based agreement with the consultant's **major** finding - that the usefulness of the UNDP country programme as a frame of reference for the **programm'ng** and co-ordination of assistance of United Nations system operational **activities** at the country level **was** limited by a number of factors. However, **given** the considerable value of a common frame of **reference** for identifying essential and viable linkages **among** the **operational** activities undertaken by **various** orgsnizations in the same country, a suitable alternative, involving a government-led effort and the full participation of all **partners**, should be sought,

215. The conclusions that can be drawn from past experience with progrsmmq, from the recommendations of **the** consultant in his report, and **from** the **comments** thereon by individual organieations, include:

(a) Recognition of the primary responsibility of the Governments of developing countries for the co-ordination and management of all external assistance inputs, and for their adaptation to national conditions as prerequisites for sustainable activities (cf. chap. III);

(b) The value of clear st **ategies**, as a basis for sound planning and **programming** reflecting both national **objectives** and, to the degree **duemed** appropriate, agreed goals related to global **issues** and interdependence (cf. chap. II);

(c) The need to adapt **to**, the increasing diversity of country situations. These range **from** **conditions in** which external assistance represents a major share of the resources available for **national** development efforts to those where external

**assistance** represents only a modest input to the development process, especially that provided on a grant basis. The bulk of **resources** for facilitating technical exchange is to be financed from national resources (**cf.** chap. IV);

(d) Where recipient countries favoured such an approach, examination of the usefulness of improving linkages among technical, capital and food aid flows, whether from bilateral or multilateral sources. In this context, a clear **definition** of the scope of planning and programming exercises **from** the outset is important,

## **2. The frame of reference**

216. Responsibility for the **co-ordination** of their external assistance programmes lies with the Governments of developing countries. The general context for development co-operation activities, including those of the United Nations system, is thus set by the policies and strategies adopted by the national administrations. These are contained in national and **sectoral** development plans as well as in public policy statements and official publications, including **broad socio-economic** analysis, **investment programmes**, and **others**.

217. **Some** countries already have developed mechanisms to **identify** and **assess** their **external** assistance requirements. Where this results in the preparation of overall development assistance programmes, those **programmes** provide a clear **basis** for dialogue with development partners, and the effective integration of **external** resources into the national development strategy,

218. In all **cases**, national policies, strategies and priorities for development co-operation constitute the principal **frame** of reference. This **principle** is recognised in the co-ordinating and negotiating **forums** organized by many Governments, in which development proposals are reviewed and **translated into interrelated programmes** and projects supported by various external partners. It is suggested that a useful supplementary measure would be the establishment at the country level of government-led appraisal and action committees. Such **committees** would involve broad participation of external partners (bilateral, multilateral, non-governmental **organizations**); their **membership** would vary in accordance with the **sectoral**, regional or thematic emphasis of the programmes under review; they would contribute to ongoing efforts to ensure appropriate **monitoring** of programmes and projects, as well as promoting linkages between programmes: they would provide a **focal point** for the **mobilization** of support for complex, **multi-disciplinary** development activities.

## **3. United Nations system support for government-led programmes**

219. There is still a considerable need for focused, timely technical co-operation in support of national efforts to develop and upgrade the capacities **required** to undertake high quality **analytical work** at the local, **sectoral** and **central** levels, and to formulate well designed strategies, policies and programmes that can also serve as the frame of reference for development co-operation. The **United Nations**

system should therefore continue, upon **request**, to devote a considerable **proportion** of **its resources** to capacity building in such areas as the development of macro-economic policy **options; sectoral** and thematic **analysis; design** and developing capacities for the co-ordination of external aid and the design, implementation, **monitoring** and evaluation of programme and projects. The objective of such assistance should be to promote **self-reliance** in these areas.

220. In mobilising **such support**, the resident co-ordinator, as focal point, should **seek to make** optimal use of **sectoral** capacities existing throughout the **United Nations system**, including those of the smaller technical **agencies**, other United Nations entities and the regional **commissions**, **so as to integrate the necessary** sectoral, regional and global perspectives and related policy options into the **process**. **Organisations** may need to strengthen their technical **capabilities** in order to meet these challenges. The **substantial resources** at the disposal of funding **organizations** for analytical and programme work could **also be mobilized** to this effect.

221. In this **context**, the broader application and adaptation of the past decade's various innovative approaches in needs assessment and **co-ordination assume** particular relevance. These include the **country needs assessments** in the area of population pioneered by UNFPA, and those of UNICEF with regard to children and mothers: they also encompass the broader National Technical Co-operation **Assessment and Programmes (NaTCAP)** exercises recently introduced by UNDP; they further include consultative groups sponsored by the World Bank and the round table processes organized with UNCTAD. In each case, there is opportunity for an overall assessment of technical co-operation requirements and a review of aid modalities, helping Government to define the content of their overall aid programme in consultation with their development partners, including the **international** finance institutions. This is of **particular** importance in countries where external support is of significant magnitude or represents a **major share of** the **financial** and material resources available for development.

222. The effectiveness of all these processes depends on **greater** emphasis being placed by all parties on their **internalization** and on national capacity **building**. It also depends on the lead organisations ensuring a far **more systematic** involvement of all appropriate organisations from the **United Nations system**.

223. It is also **recognized** that the United Nations **system** could make a significant contribution through fuller integration of the technical, economic and social **work** undertaken by individual **organizations**, including thematic, **sectoral** and regional studies and data collection and analysis. This would particularly help countries with still nascent capacities for analytical **work and development** planning. Where **requested** and appropriate, **such work could be incorporated** into a holistic socio-economic framework as an input to national resource **programming**. The **macro-economic** analysis undertaken by the international **finance** institutions would be an important element in such an approach. It would **obviously be particularly** appropriate in cases where dialogue with development **partners and the co-ordination of commitment** of developed countries is based on the **policy framework** papers prepared by national authorities with **IMF and World Bank**.

#### **4. Collaborative programming with the Governments - a common United Nations response**

224. It is widely **recognized** that, within the overall framework provided by each **Government**, there is scope for greater **coherence** in the response of the **United Nations** system. In particular, focusing on **common** priority areas **can** be a valuable contribution to the co-ordinated implementation of the Government's programmes.

225. There will be numerous mechanisms through **which these** common priorities can emerge. However, **it** is generally **agreed** that they should be **synthesized** in a common **country statement** of priority objectives for the United Nations system in support of **government development efforts**. **If so requested**, all the concerned organizations of the United Nations development system at the country level, **under** the leadership of the resident co-ordinator and **in** consultation with all relevant national partners, would develop a **statement setting forth** the principal objectives of operational activities for a **given** period. The content, scope and detail of this **statement** would need to be adapted to country-specific circumstances. However, it should reflect the national policies, strategies and priorities, as well as relevant issues of global and regional concern, and provide a basis for the formulation of the **programmes** and projects of individual organisations as well as for country-focused **resource mobilization**. The **statement** would also identify **themes, priorities and** objectives for which **common endeavours** would be likely to have a significant impact.

226. The broad approach outlined above was endorsed in **general** terms by the Consultative Committee on Substantive Questions (Operational activities) in March 1989; this endorsement was duly reflected by ACC **decision 1989/4 (ACC/1989/DEC/1-20)**, which indicated that "while the UNDP country programming process and country programme as a **frame of reference** for **aid programming and** co-ordination of the system's operational activities **had** generally **not** been found practicable, there was a considerable value in elaborating a common frame of reference, **involving a** government-led effort with the full involvement of all development partners. ACC is pursuing specific measures to further enhance programming processes."

227. The urgency of the additional work required on this issue is underlined by the imminence of the **fifth programming cycle of UNDP**. The proposed pragmatic approach to more integrated **programming is** also considered to **be of** particular value for the identification of requirements and co-ordination of external aid in preparations for the **Second United Nations Conference on the Least Developed Countries; to be** held in 1990.

228. The Consultative Committee has therefore established a working group of interested **organisations, with sub-groups in New York and Geneva**. These are expected to report to the **autumn session of the** Committee with specific **recommendation** as to the content and status of the country statement, the **articulation of linkages among capital, technical and food assistance to national development programmes, the role of the United Nations development system in the suggested local appraisal and action committees, and other** outstanding issues.



229. **Given** the emphasis on adaptation to specific national situations, this collaborative work at headquarter8 level to establish overall **pr'nciples and modalities** will need to be **accompanied** by imaginative teamwork **at** the country level. It is, indeed, **anticipated** that, just as **the country statement** would vary in **form**, content and role, **so would** the programming processes applied by different organisations with **respect** to the resources for which they assume **responsibility**.

230. **The working group of the** Consultative Committee could usefully continue to follow developmontr and facilitate **the exchange** of information between countries and organisations, both on the approaches adopted in the rlaboration **of** the country **statement** proposal **and on** the programming processes **of** individual **organizations**.

231. It will be noted that the measures **agreed upon** or under active consideration by the Committee correspond to the main areas suggested by the independent consultant's **agenda** for action (**paras. 55-59 of** technical paper 5 in connection with the **present report**). **There is, however, greater emphasis** on flexibility to match **the** growing diversity of country situations.

232. The **Director-General** for Development and International Economic Co-operation considers that it is particularly important to draw **morr** fully **on** the **strengths of such varied** processes, since the initiative8 taken **by** the **system** in the area of programming **at** the request of Governments, represent one of its **major** contributions..

#### 5. Further possibilities

233. The coherence **of** the operational activities at the country level could also be enhanced through further measures to create more favourable conditions for collaboration, and to reduce the burden on host country administration, for **example:**

(a) The **synchronization of** resource allocation cycles, between organisations at the global level and in **line** with government cycles at the **country level;**

(b) The adoption, where possible, **of** simplified and harmonized **procedures** for the various phases of the programme and project cycles and, particularly, their adaptation to the administrative traditions of national **institutions;**

(c) Further **decentralization** of responsibility for programming to the country level (with the appropriate strengthening of substantive advice and technical backstopping), to ensure that the results **of** world-wide **experionce** are drawn upon.

234. It is also the Director-General's view that, **for** interdisciplinary **activities** with a specific geographic **focus** requiring concerted **effort by several** organiaationr (including multinational, bilateral **and** non-governmental **organizations**), it **would be** useful to **explore** possibilities for **more** integrated implementat ion. This might **involve, for example, the** adoption of a single project **framework, and the joint: programming of technical input,** monitoring and evaluation. Appropriate, flexible co-ordinating **mechanisms** astablrshed by the **host government** institutions **would** also contribute to the **impact of such complex cross-sectoral** undertakings,

## 6. Joint Consultative Group on Policy

235. Concern about increasing responsiveness to the requirements of individual countries in terms of both **substantive content and programming processes** is also reflected in initiatives taken over the past year by JCQP. In a letter from the five JCQP member organisations to field representatives issued in April 1989, the executive **heads** highlighted the substantive **areas** of Group interest and **suggested** that, if applicable to **the** country, they **should** be reviewed together with other **possibilities for collaborative effort**. The areas with potential impact on integrated programming **included** the participation of women in development (including **women's** role in food production, nutrition and in other aspects of the rural economy), adjustment **issues**, the human **dimension** (including activities in nutrition, health and education), the integration of food aid, and environmental and long-term development objectives (which will be **examined** at the **next** JCQP high-level meeting in July 1989).

236. The field teams were also **requested** to look at the possibility of holding **common sessions** during mid-term programme **reviews**, to **assess** the scope for **more** closely synchronised country **programming** cycles, using the Government's own **planning** cycle as a **reference point**, and to ensure an earlier and more systematic **exchange of programme** information.

237. It was also suggested that a subregional **meeting of** Group staff from field offices and headquarters be held to examine the substance and modalities of programme collaboration. Following confirmation of interest from a group of countries in **West** Africa, such a meeting is to be organised in 1989,

## 7. Conclusions

238. It is **considered** that the **combination of system-wide** clarification of principles and approaches, **further** improvements in the programming **processes** of individual organizations, country-specific work **organised under** the leadership of the resident co-ordinator, and pilot activities **such as** those envisaged by the JCGP **organizations**, represent a significant, multifaceted response to the recommendation of the General **Assembly**. The potential impact on the quality of development co-operation could extend far beyond the **confines of** the United **Nations system**.

239. A note of caution is, however, required. **Should** progress towards a broader **frame of reference** be slow or encounter **major obstacles**, then the country programming process - particularly as it has evolved in recent **years**, both through **improvements** introduced by UNDP headquarters in consultation with other **organizations** and through country-specific adaptation - **continues** to be a useful tool in the hands of **Governments** who wish to use it. Indeed, where the process has **been applied fully**, with **adequate recipient leadership**, **appropriate involvement of** the technical organisations, **training of** national officials and the local United Nations **teams**, and **effective** appraisal mechanisms, it has proved its value. The search for greater effectiveness and flexibility **should under no circumstances** **discourage Governments** from maintaining valid **efforts to achieve coherence** in development co-operation through existing mechanisms.

## C. Provision of technical advice

### 1. Introduction

240. Both the Jansson report and **General Assembly resolutions 42/196 and 43/199 underlined** the importance of the **United Nations development system** improving its substantive capacity to respond to **the** increasing demand for the provision to recipient **Governments of ongoing** technical advice in a multi-sectoral and integrated **manner**.

241. This requirement reflects the demand for a more dynamic involvement of the United Nations **system** in participating in a dialogue on strategies and policy options with host Governments **and, where** appropriate, with their other **development** partners. It implies greater involvement in **sectoral analysis**, both of country-specific potential and of problems, as well as **of** the implications of issues of global and regional **concern**. It **covers cross-sectoral themes** requiring a pluridisciplinary input. It should also take into account the complexity of national situations **characterized** by growing diversity in the range of potential beneficiaries.

242. The United Nations development **system** should now be uniquely placed to respond to this **challenge**. It has a broad and effective network of country and regional staff of the **specialized** agencies and the major grant funds (**UNDP, WFP, UNICEF, UNFPA**), In **many countries** there are also representatives of the World Bank and, in a **few, of** the International Monetary Fund. Together, these resources should **form a** solid basis **for** providing or **mobilizing** the technical **information** and international experience required.

243. **Some** doubts have been expressed with respect to capacities of field representatives to **cover** adequately the broad range **of** technical advisory needs, and their ability to work together as a team on priority issues identified with Governments. The validity and scope **of** these concerns, and proposals for remedial action, will be examined through the integrated country reviews. The study of support costs currently being undertaken by the independent expert team **established** by the Governing Council of UNDP should also throw light **on** the subject.

244. In the **mean time**, it is useful to identify the types of technical advice available, to highlight issues requiring further review, and to report on **some** steps taken or proposed by **organisations** in recent years.

### 2. Potential capacities for technical advice

#### (a) Resources available in-country

245. The **existing country staff** of the agencies, **fundr** and development banks constitute the **key element** in mobilising technical advice. Although it is not reasonable to expect small **teams** to be **able to cover** all technical fields, they **should be** in a position to **engage in discussions** with the host **government on broad** development issues (including **sectoral** and macro-economic analysis, development

strategies and options) and to support the development co-operation management and co-ordination process. Their impact can be enhanced by sending specialists to the field, in priority areas identified with the government, to strengthen the country team, and by providing briefings and refresher training to the staff already assigned.

246. Realisation of the need to upgrade technical capacities has been reflected in a number of measures adopted in recent years. For example, the number of World Bank resident missions has expanded from 35 in 1985 to 42 in 1989, with a particular emphasis on Africa (23 in 1985, 28 in 1989); the teams assigned to these missions have been expanded. Similarly, with a view to strengthening the capacity for dialogue on issues relating both to macro-economic reform and to long-term development objectives, UNDP is assigning some 91 economists (26 senior and 66 associates, including national officers) to some 34 country offices in Africa. UNDP is also exploring means of addressing cross-sectoral issues (e.g. environment, science and technology), various modalities including the recruitment of national experts, the flexible use of national consultants (selected with the assistance of the specialised sectoral agencies), or advisory contracts with local institutions that could usefully be examined in the light of specific country situations.

247. The number of UNFPA country directors has increased from 26 to 57 between 1985 and 1989. Seven international programme officers and 72 national programme officers contribute to technically stronger country-level capacities, with a strong emphasis on Africa. Their UNFPA staff are selected on the basis of their competence in the areas of population, demography and development planning.

248. Meanwhile, some specialised agencies are reviewing means of ensuring that their existing capacities at country, subregional and regional levels are more fully drawn upon in the context of integrated responses. In its decision 10 of November 1989, the fourth session of the Industrial Development Board of UNIDO reaffirmed the need to strengthen the Senior Industrial Development Field Adviser Programme to provide developing countries with effective advice in the industrial sector. It indicated that the resident representative of UNDP would continue to represent UNIDO at the country level, providing the necessary support for all activities carried out by UNIDO, with the field advisers acting as deputies to the resident representative or co-ordinator.

249. These developments are particularly important, and their impact should be closely monitored, since many resident co-ordinators are reporting that anomalous situations exist regarding the utilisation of existing capacities. Whereas the local technical input of UNIDO, UNFPA and WFP is fully integrated in the context of in-house team-work, that of other major specialised agencies with autonomous field representations tends to be duplicated, with parallel responsibilities for monitoring, backstopping and broad sectoral issues having to be assigned to the generalists within the resident representative's office. A more unified approach would have considerable advantages from both technical and administrative angles; it would also facilitate the full involvement of specialised organisations in key aspects of programming and aid co-ordination, and consultation with the resident co-ordinator on their regular and extrabudgetary programmer\*

(b) Resources to be mobilized outside the country

250. It **is** evident that not all sectors or priority themes **can** be covered by technical personnel stationed at the country level. There is a need **for** efficient mechanisms to mobilise the **competences** available within institutions at the headquarters, regional and subregional levels. Several approaches merit examination,

251. The vast **range of technical skills and** experience at the headquarters of specialised organisations - core staff and interregional **advisers** - needs to be tapped in a much **more systematic** manner. **Here** again, the key would appear to be improvements **in** structure and information flow. It **is** worthy of note that entities such as the Department of Technical Co-operation for Development, UNCTAD and UNESCO have, in the **course of major** reorganisations, devoted considerable attention to ensuring that adequate information is available on their capacities, and that the means **of** utilising them **are** flexible and efficient. Although it is too early to judge the impact **of** these measures, they appear to be resulting in a better knowledge and utilisation of such capacities, as well as providing a mechanism to manage valuable feedback from the country level (through visiting technical **missions** and through the resident co-ordinators) on priority areas of focus for further capacity development.

252. The value to country level activities of multi-disciplinary teams maintained at the subregional level - whether those **of** the regional commissions (United Nations Multi-National Inter-Disciplinary Development Advisory Teams (**UNDATs**) and Multinational Programming and Operational Centres (**MULPOCs**)) covering major sectors, or **those of ILO, UNESCO or FAO** covering the specific aspects of their **sectoral** responsibilities - could also be enhanced. Although the situation varies considerably between regions and organisations, it would appear **that** Governments and **resident** co-ordinators rarely take the initiative in calling on their services. Structural and managerial aspects require examination. It is possible that alternative arrangements such as networking of specialists outposted from subregional **teams**, or improved information on the available skills, combined with reimbursement of the marginal costs involved in their **utilization**, would **lead to more efficient integration of these capacities**. They have the further advantage **of being** able to disseminate and exchange **development** experience among countries of a given sub-region or region,

(c) Beyond the United Nations system

253. **Perhaps** even more significantly, there has been increasing interest in the role of the United Nations development **system in** mobilising technical advice and support from the international community outside the **system**. The role of information in this process is increasingly important as the requirements of developing countries become **more highly specialized**. The organisations of the **system** need to broaden their **contacts**, update their rosters and improve access by developing **countries** and their other development partners to their **data banks on** all available technical skills and other resources **if** they are to remain **at the centre of sectoral advice and multidisciplinary advice to developing countries**.

254. Integrated into such action would be specific work to identify relevant experience and capacities in other developing countries.

**(d) Information systems**

255. It is apparent from the above preliminary analysis that improved information flow is a key to **enhanced** utilization of technical capacities. This was clearly recognised as long ago as 1965/1969, when the Capacity Study devoted one sixth of its volume to the issue. Few of the specific recommendations made at that time have been implemented. Meanwhile, there have been major **technological** advances that have led to the full recognition of information as a **development** co-operation tool that can help **developing** countries, both in their national efforts and in their effective participation in an increasingly interdependent world economy.

**(i) Information on development co-operation**

256. Until now, there has been a **tendency** within the United Nations **system** to focus on information on development co-operation itself. Useful work can be reported in this area. In particular, the Advisory Committee for the Co-ordination of Information **Systems** has recently published the first comprehensive Register of Development Activities of the United Nations **system**, covering the year 1987. Although this was a lengthy and costly **exercise** involving the establishment of data gathering and processing mechanisms, the marginal cost of continuing the operation would be much more **modest** and, provided the necessary steps are taken within **organizations**, information could be provided on a regular, timely basis, as a tool for improved co-ordination and management.

257. At the same time, significant improvements have been introduced in the content and format of the development co-operation reports produced under the **responsibility** of the UNDP resident representative at the country level. Software for a development co-operation analysis **system** was introduced on a pilot basis in 1988 with a view to **facilitating** the early **compilation** of country-specific data on all co-operation programmes. The dovetailing of the Advisory **Committee** and UNDP operations would appear both feasible and useful.

**(ii) Information for policy and design options**

258. Perhaps more significantly, the period since the last comprehensive policy **review** has been **characterized** by the growing recognition of the role of information itself as a development input. Developing countries have shown increasing interest in information provided in the form of documentation and access to data banks, and in the information **systems** - including specially developed software - available within the United Nations **system** to **assist** them in analysing the data required for effective economic management, negotiations and trade promotion.

259. Much of the **work** of the United Nations **system** in this area has been **under-reported**; access by developing countries to country facilities has been limited. The directories of United Nations **databases** and information system (1985), and of **serial publication** (1988) of the Advisory **Committee** for the Co-ordination of Information Systems, as well as its specialised **guides** to United

Nations **information** sources on food and agriculture (1987) and on the environment (1981), represent useful **starting** points in providing information on **resources** available. **Measurss** have recently been taken to ensure that all UNDP country offices have access to this documentation for consultation by national **development** managers and their external partners. This wider distribution in developing countries should in itself facilitate access to information in formulating technological and policy options.

260. At the same time, UNFPA, with the approval of its Governing Council, launched in 1988 a major initiative aimed at the gradual introduction of a management information system, making more and better quality population-related information available to countries and strengthening its networked reference capacity. UNDP is **in** the process of **linking its** information systems, primarily with a view to improving the overall management of its resources, but also to facilitate access to rosters of consultants etc. This network could be fully integrated into a broader system through which the accumulated experience of technical organisations would also be made more readily available to the developing countries. It would enable country offices to serve as a useful channel for international development information flow. This could be a major contribution to the development process.

261. However, much **remains** to be done. In particular, information is still generally viewed as an **addition** to the standard package of project **inputs** with personnel, training, sub-contracts and equipment components. The experience of countries and organisations that have focused on information as an input in its own right (for example, through the development or provision within projects of software for the management of debt, customs statistics, financial and economic analysis of industrial **investment** proposals), has shown that it **can** be a powerful, cost-effective alternative to **more** traditional approaches.

262. The potential of information technology to cross-fertilise national development experience and the findings of substantive evaluation should also be tapped. In view of the rapid technological evolution in **this** area and its far-reaching implications for the United Nations development system in all its functions, it is recommended that a **comprehensive** review be undertaken of the role of information management in development co-operation.

D. **Simplification, decentralization and harmonization of rules and procedures**

263. In paragraph 19 of resolution 42/196, the Director-General for Development and International Economic Co-operation was requested to examine in detail urgent measures that can be taken to ensure further flexibility, simplification and harmonisation of procedures for programme and project formulation, approval, implementation, monitoring and evaluation, so **as** to adapt them to the needs and priorities of developing countries. In paragraph 20, the General Assembly noted that decentralisation of operational activities at **the** field level should, within established principles of accountability, foster appropriate flexibility and responsiveness to the needs of the developing countries, and requested the Director-General to provide information on the measures taken by the organisations of the **system** in this regard,

264. In resolution **43/199**, the General Assembly further emphasised the importance of flexibility, simplification **and** harmonisation **of** procedures **for** operational activities of **the** United Nations system to **reduce** the administrative burden on those countries **and** to allow them to better manage and co-ordinate external assistance.

### **1. Principles involved**

265. The concern expressed by the General Assembly was that the effectiveness of **technical** assistance depends not only on how it is used and in what circumstances, but also how it is administered. The administration of **the** assistance can **itself** have substantive impact on the development process.

266. Bilateral donors and the United Nations **system** need to **ensure** that, as far as possible, delivery **systems** are supportive of the administrative capacities of the developing countries. Their partnership **with** the developing countries would benefit from a detailed examination of the relationship between various procedures used in the programme/project cycle and the national development management system as a whole.

267. The objective of the assistance, which developing **countries** receive from many sources, is to fill critical gaps in skills, technology and external capital. It is the prerogative of the developing countries to determine their needs and to ensure that assistance from a multiplicity of bilateral and multilateral sources is delivered in a **co-ordinated** manner. It is also the recipient Government's responsibility to ensure that external assistance is integrated into its own development programme.

266. The development assistance organisations accept these principles and, further, **accept** that only through such an internalisation of their assistance can an appropriate and sustainable impact be assured in the long term. Beyond these points of convergence, however, even with the best of intentions, several contradictions can arise over policies and procedures.

### **2. Criterion for review**

269. The procedural dynamics of development co-operation involve a series **of** steps leading towards impact within a country's **own** development efforts. There is a crucial threshold where external assistance merges into that internal process; the human, financial, and material resources it is bringing are fully integrated with the country's **own** resources in **a** strengthened and endogenous intervention. The principal criterion for examining a chain of policies and procedures should be whether they facilitate the **crossing** of that threshold.

270. In such an examination, three major questions need to be posed:

- (a) **Are** the procedures in themselves more burdensome than they need be?



(b) Do the procedures facilitate or **inhibit the building of the** capacities of the developing country effectively to design, **manage and achieve** the development interventions that are needed?

(c) Are sound internal procedures formulated and then applied to the external-assistance source?

### 3. Conflicting factors

271. The development assistance **organizations** naturally **have** to satisfy the accountability requirements of their governing bodies. This in itself **can** generate procedures that **may** detract from internalising the assistance, **while** increasing the administrative burdens on both **sides** of the partnership.

272. In addition, the demand from a donor public or **governing** body for timely delivery with minimal delays in the expenditure of funds appropriated **may involve** greater control by the assistance authorities. **Even if** this leads to a streamlining of donor procedures, the so-called high delivery syndrome may undermine internal capacity building and long-term **sustainability** since, to be effective, this assistance flow **must** still be integrated within the recipient machinery.

273. Particularly difficult is the reconciliation of the **donor's desire** to reduce the risk of programme failure through the use of detailed external procedures, with the need to maximise the recipient's administrative self-sufficiency. The United Nations **system** and bilateral donors tend to resolve this conflict by creating parallel administrative structures to speed up disbursement of funds. The effect, however, is to make durable national institution building **more** difficult.

### 4. How much data is needed?

274. At present, different development **organizations** attempt to reconcile their requirements and the goal of internalisation in different ways. **For** example, attitudes vary extensively among donors on how much information is needed for decision-making and accountability. The **real costs of data** collection for recipients, and the compatibility of information requirements with expeditious programme formulation, are not always fully taken into account.

275. The different responses of **development** organisations have resulted in a variety of rules and procedures governing the programme and project cycle. As far as the United Nations organisations are concerned, the General Assembly has been very specific in reiterating the need to review all such rules and procedures with the clear objective of reducing the burden on the management capacity of the developing countries, and allowing them to exercise their responsibility for co-ordinating **and** integrating external assistance into their development programmes. To this end, it focuses on **the** interrelated objectives of simplification, decentralisation and harmonisation.

**Notes**

1/ See the mid-term review of the implementation of the **United Nations Programme of Action for African Economic Recovery and Development 1986-1990**, document **A/43/50**; the cross-organisational programme analysis of the activities of the United Nations system for the advancement of women, document E/1989/19; the **Least Developed Countries 1988** report prepared by the UNCTAD secretariat, document **TD/B/1202**; and the report on the least developed countries and action in their favour by the international community, document **A/CONF.104/2/Rev.1**.

2/ **Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981** (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

3/ **Report of the United Nations Conference on Technical Co-operation among Developing Countries, Buenos Aires, 30 August to 12 September 1978** (United Nations publication, Sales No. E.78.II.A.11), part one, chap. I.

4/ **Ibid.**, para. 4 5 .

5/ **Ibid.**, para. 6 1 .

## 7. Harmonisation

283. These two issues lead to the question of harmonisation of rules and procedures. It is suggested, once again, that this **should** be examined against the criterion defined **earlier**: does the diversity of **donor procedures of itself** inhibit the **crossing** of the threshold between external assistance and internalised development?

284. To the extent possible, donor procedures should be harmonised with those of the recipient **Government**, not merely **among each other on the external side** of the threshold. It would indeed be ironical to achieve, through elaborate **negotiation among donor sources**, procedures that **are** harmonised among themselves, and then **confront each** recipient Government with a package of rules and **procedures** that still differs from **its own**,

285. Organisations of the United Nations system have achieved a substantial **degree** of harmonisation in **such areas as finance**, administration and personnel. In 1983, a review undertaken by the Director-General of International Economic Co-operation on simplification and harmonisation of aid modalities, under the **auspices** of the Consultative Committee on Substantive Questions (**Operational activities**), pointed to steps already completed that needed to be brought to the attention of the governing bodies of the system. **However**, the main area that requires **sustained** attention concerns issues relating to simplification **and** decentralisation in programme and project preparation and implementation,

286. **Harmonization** efforts involving the programme and **project cycle** within the United Nations **system** have focused mainly on the UNDP project **formulation** guidelines and the project document format. Some **United Nations agencies** have adopted these completely for non-UNDP funded projects above a certain value; others have adopted portions. Wherever feasible, efforts have been made to harmonize around them. It was, however, **recognized in discussions** within the Consultative Committee that the full benefits of such **harmonization** for the recipient Governments could only be achieved if the **bilateral** donors were also involved, since they account for the bulk of the assistance received by most developing countries. A Committee task force on this issue also contacted the bilateral donors with a **view** to their involvement in this exercise. A fuller account of the harmonization process in the United Nations **system** conducted through the Committee will be provided in technical paper 7.

## 8. Need to co-ordinate

287. Lack of co-ordination among the development **organizations**, and its consequent impact on recipient Governments, is evident. While the United Nations system was attempting harmonisation around **UNDP** formulation guidelines and format for **technical** co-operation **projects**, the secretariat of the Development Assistance Committee of the Organisation for Economic Co-operation **and** Development (**OECD**) was undertaking a similar exercise with respect to external assistance programming, which has enabled the **members of that Committee** (which include **most of the major** bilateral donors) to adopt **common** guidelines for **project** appraisal.

288. Even when development organisations' own management systems appear cost-effective, the more variety and number of donor procedures imply real costs to recipient Governments. Thus, although it is useful for donors to evaluate the efficiency of their procedures individually, greater benefits may be possible if simplification and decentralisation take place in a wider, more co-ordinated framework. Periodic exchange is needed to check whether procedural changes are moving in a similar direction. Such a collective examination must, however, maintain and encourage ability to adapt to changes over time.

289. Some donors have reduced their burden on the recipient Government by adapting, where possible, to the recipient's own administrative procedures; but this approach, which is of particular relevance in the case of government execution, remains the exception rather than the rule.

290. However, few development assistance organisations, whether bilateral or multilateral, have extended their scope for their procedures to those of recipients. The problem of incompatibility between the multitude of external procedures and a recipient's own administrative traditions is apparent, for example with respect to those stages of the project cycle requiring information and reporting. Recipients require and collect information for their own management purposes; in some cases, it may be possible for development assistance organisations to use those outputs instead of introducing new procedures.

291. As illustrated above, in order to achieve the very purpose of maximal assistance - self-reliance - a serious effort should be made to identify those local procedures that could be applied by external donors. This exercise would involve both the bilateral donors and the United Nations system. The exercise could begin by evaluating the experience of those bilateral donors that have most used adaptation to recipient Government procedures and formats as a basis for their management of development assistance. When local procedures cannot be adapted, possibilities for simplification, decentralization and ultimately harmonisation should be systematically examined. In all cases the recipient Governments should be fully involved so that local management capacities, and cost or benefits to the recipient institutions, are fully taken into account.

## 9. Approach

292. Through a desk study, an effort has been made to identify issues and to demonstrate how decisions on procedures are reached within individual organizations. A critical question that emerges is whether such decisions are based on an assessment of their administrative burden and their impact on developing country participation in the allocation of external assistance funds and implementation of projects. Another significant issue is whether rules and procedures are designed and modified on an individual institutional basis or through consultation with other organizations and recipient governments administrative capacity.

293. The views of recipient Governments, to be ascertained through the country reviews, should help to identify those rules and procedures which, because of their diversity, complexity and centralized nature, impose the greatest burden. On these, recommendations will be made in technical paper 6 as a basis for further action.

## 10. Conclusion

294. The subject of simplification, decentralization and harmonisation is far more substantive in its effect and impact than its language might at first suggest. The best of good intentions, of sensitively formulated development co-operation policy and technically sound programme and project design, may be undermined by inappropriate procedures that limit progress towards agreed goals.

### E. Review and rationalization of field office structures

295. With a view to releasing resources for project activities through greater administrative cost effectiveness, and to facilitate integrated technical advice to governments by United Nations system field teams, resolutions 42/196 and 43/199 (paras. 24 and 6 (a) respectively) called upon the Director-General for Development and International Economic Co-operation to report on actions taken to review and rationalise field office structures.

296. The executive heads of the organisations of the Joint Consultative Group on Policy having field offices issued in mid-1988 a joint memorandum in which they enumerated the advantages of sharing premises and facilities, such as maintenance, security and meetings services, messengers, reception, travel agents and computer equipment. In their memorandum, the executive heads requested the Group field representatives to participate in a five-step process that is described in technical paper 7.

297. At the same time, the Director-General addressed a request to other organizations with country or sub-regional offices to consider joining this exercise, in the light of the recommendations of Member States. All concerned (the International Labour Organisation, WHO, FAO, the International Civil Aviation Organization, the United Nations Centre for Human Settlements and the Department of Public Information concerning the United Nations information centres) endorsed the principle of common premises and shared facilities, although several arguments were advanced to explain the maintenance of separate offices in certain cases. These included the need to be close to or in some cases to integrate with sectoral ministries or departments; the availability of separate cost-free premises provided by the government; and proximity to the media, universities and the general public.

298. Given these technical constraints, and the time required to negotiate major changes - involving modifications to contracts, provision by the host government of premises or land on an equal or more attractive basis and availability of funds for construction of new premises or extension of existing premises - increased sharing of facilities at the country level can only be expected to emerge over a number of

years, as leases come up for renewal. However, as a basis for monitoring progress, a breakdown of field office structures as at March 1989 is provided in technical paper 7.

299. In the case of the Information Centres, the argument for common premises is clearly presented in an understanding between the Department of Public Information and UNDP for rationalising field representation, which will be published later this year following full review in the field and at headquarters. The joint field review of this understanding will provide an opportunity to explore further prospects for sharing.

300. The case of the United Nations High Commissioner for Refugees (UNHCR), specifically mentioned in resolution 42/196, remains a difficult one, since security incidents are recognised by other partners to have been a real problem in many countries. In addition, the temporary nature of many large-scale UNHCR operations makes participation in long-term office schemes uneconomic. However, there are cases where costs could be reduced significantly through the sharing of premises, and these could be examined more systematically.

301. Reports from those countries where the field offices of the United Nations system are already together confirm that there are real benefits in terms of savings on administrative budgets, information flow, scope for collaboration. These should be further reviewed, and findings brought to the attention of organisations and of host governments since, as was pointed out in a statement to the General Assembly, "the government as a host has primary responsibility for the number of field representations of the United Nations system".

302. Specific additional measures that need to be taken include:

(a) The replenishment of the now depleted resources made available by UNDP for the construction of common premises (20 per cent of the reserve of \$25 million authorised by Governing Council decision 82/30);

(b) Obtaining of budgetary appropriations, or establishment of similar financing modalities, by the governing bodies of other organizations (particularly those of the Joint Consultative Group on Policy), with a view to covering the capital costs of shared premises, including the building of extensions to meet long-term increases in staffing, and releasing funds for the launching of construction schemes in other countries.

303. Member States continue to show interest in this subject. In recent months, for example, the Executive Board of UNICEF reiterated the basic principles involved in its decision 1989/14 on co-operation with the other organisations of the United Nations system adopted in April 1989.

304. Underlining the difficulties inherent in applying overall policy in a rapidly evolving context, it is noted that over the past year in a number of cases organisations have left common premises as a result of lack of adequate space to absorb expansion of field office staffing and facilities. However, in the light of the statement of the Joint Consultative Group, this is seen as a temporary move.

Broad support for sharing has been expressed by the country offices concerned) joint follow-up mechanisms have been established. Initiatives from the country level based on the clear policy statements from headquarters are thus expected to ensure a satisfactory evolution in the overall situation over the next three to five years.

## F. Role and effectiveness of the resident co-ordinator system

### 1. Background

305. By its resolutions 32/197 and 34/213, the General Assembly, of which are reproduced in technical paper 7, the General Assembly set the framework for the designation of resident co-ordinators of the operational activities for development of the United Nations system. In 1979, the ACC approved the arrangements under which the responsibilities of the resident co-ordinator were to be incorporated, incorporating certain basic understandings contained in the ACC principles on co-ordination in the field adopted in October 1961 (see technical paper 7). Also in 1979, the Assembly decided that the resident representative of the UNDP would normally be designated as resident co-ordinator. This ensured that there would be continuity between the functions of resident co-ordinator and the traditional co-ordinating role envisaged for the resident representative through the management of neutral resource allocations for technical co-operation under the indicative planning figure system and the country programming process, and reflected in the representation agreements signed between UNDP and many of the other entities of the United Nations development system. The network of resident co-ordinators was established in 1981 with the designation of the first 71 officials. The system has since been extended to cover some 113 countries.

306. In his report for the 1986 triennial policy review (A/41/350-E/1986/108, annex), the Director-General for Development and International Economic Co-operation noted that the functions of resident co-ordinators had had a particular significance in emergencies and other special situations, as for example in the face of the African economic crisis of the mid-1980s, and in the wake of natural disasters, where prompt action and leadership in the field were of vital importance. In paragraph 46 of that report, he also observed that, with respect to development, "Resident Co-ordinators advise the Government on the most orderly and efficient utilisation of resources made available by organisations of the system. They facilitate the dialogue between the Government and its aid partners as well as among the latter. They assist Governments in the organization of local aid co-ordination arrangements, including co-ordination between the United Nations system and other aid agencies. They also help Governments mobilize additional resources for development.\*"

307. In both cases, it was further noted in paragraph 47 of the report that "the effectiveness of the resident co-ordinator arrangements often derives from his/her personal ability to persuade and secure consensus. To a greater extent, however, their strength and relevance will derive from the willingness of Governments and agencies to make the best use of the institution of the resident co-ordinator."

308. The strong interest of the governments of developing countries in the resident co-ordinator concept was confirmed in the consultation process that was organized by the field representatives of the system immediately following the designation of the first officials. The interest of the donor community was underlined on many occasions, for example in the OECD/DAC consultations on co-ordination in 1985. It was felt, however, that there was a need to give fuller effect to the intentions of the General Assembly by bridging the gap between the responsibility of resident co-ordinator and the authority and resources at their disposal.

309. The impression that mutual commitment, authority and resources were insufficient to sustain the impact of the resident co-ordinator concept, other than in exceptional circumstances, was confirmed in the Jansson report and duly reflected in paragraphs 23 and 25 of General Assembly resolution 42/196 in December 1987.

310. Prior to that date, two measures had been taken to implement recommendations contained in the Director-General's report for 1986. A single letter of credentials of the resident co-ordinator from the Secretary-General covering also his or her responsibilities as representative of UNDP, WFP and UNFPA was introduced in 1986. It has recently been extended on an ad hoc basis to cover cases where the official also serves on behalf of the Department of Public Information as director of an information centre. In addition, in his first progress report on reform and renewal in the United Nations (A/42/234), the Secretary-General in April 1987 indicated that "in order to clarify further the authority of the United Nations Resident Co-ordinator and thus enhance co-ordination at the field level, the Resident Co-ordinator will henceforth represent the Secretary-General in the country of assignment, except in those situations where other arrangements are more appropriate".

## 2. Review by the Consultative Committee on Substantive Questions (Operational activities)

311. In its resolution 42/196, the General Assembly called for a review by ACC of the inter-agency arrangements with a view to enabling resident co-ordinators to discharge more effectively their leadership role and functions. This review has been undertaken over the past year by the Consultative Committee on the basis of an informal issues paper prepared by the Director-General for Development and International Economic Co-operation.

312. The Committee agreed at its session in October 1988 that the existing arrangements provided scope for considerable improvement in the functioning of the resident co-ordinator system, through a combination of constructive interpretation and more systematic application. It identified a number of areas at both global and country levels to achieve this end, following further examination by a working group, a number of principles were adopted in April 1989. Those principles were formally endorsed by ACC decision 1989/4 of April 1989 (ACC/1989/DEC/1-20), which indicated that "ACC believes that the recently adopted measures for enhancing the role and effectiveness of the resident co-ordinator system exemplify the commitment of organizations to strengthening partnership in the United Nations system."



313. The measures approved by the Consultative Committee are contained in technical paper 7. At the global level, there include broadening the selection process of resident co-ordinators, facilitating exchange of senior and middle level staff among organizations, building up development teams at the country level, strengthening briefing and refresher training programmes for field representatives, identifying the technical expertise required to support resident co-ordinators in different country circumstances, strengthening the staff resources required to provide adequate backstopping, particularly on global themes and priorities, further decentralizing responsibilities to the country level, and sharing premises and services wherever possible.

314. At the country level, the measures comprise new consultations with host governments to further elaborate roles in the light of the particular needs and circumstances of each country; ● Establishing inter-agency co-ordinating groups around priority sectors or themes; improving information flow on development co-operation and socio-economic and technological change; and elaborating programmes of public information on development issues.

organizations to initiate action to implement these recommendations, including the issuance of guidelines by all concerned organizations to their respective field representatives, possibly as part of more general guidelines aimed at enhancing each organization's role in support of overall coherence of the activities of the Nations system at the country level. The kind of action that is expected in the course of the coming months is illustrated by the executive directive on "Enhancing UNICEF's role in support of the United Nations system" issued by the Executive Director of UNICEF to senior officials at headquarters and in the field in November 1988 (see technical paper 7).

316. A working group involving UNDP and the specialized agencies has been established to look into the possibility of improving briefing and training processes, mainly within existing mechanisms. It is envisaged, for example, that future briefings will include broad information for resident co-ordinators on the main policies and programmes of organizations and on their normative research and analytical capacities, in addition to project and country specific activities. Ideally, this information would be developed in a form that could be made available to developing country institutions, and other members of the United Nations country teams.

317. The selection process could be broadened by the introduction of a roster of names upon which the Administrator of UNDP could draw, in addition to UNDP core staff, in proposing candidates for appointment as resident representatives and designation by the Secretary-General as resident co-ordinators.

318. The Consultative Committee on Substantive Questions (Operational activities) will monitor the implementation of the recommendations with a view to ensuring that the positive and practical manner in which the review of the resident co-ordinator concept has been undertaken is duly reflected in actions at all levels.

319. Among these is the question raised in paragraph 6 (d) of General Assembly resolution 43/199 on the role of the UNDP resident representatives and the United Nations resident co-ordinators with respect to the field representation of the organisations of the United Nations system. It was noted that under the terms of agreements signed between executive heads and the Administrator of UNDP, the UNDP resident representative is assigned responsibilities for the representation of many organizations that do not have their own country offices. These normally also cover administrative and field management functions. Concern continues to be expressed over the compatibility of the 60 responsibilities and those assumed on behalf of UNDP, particularly with respect to the Office for Project Services, although decision 6 on the designation of the Office as executing agency are taken not by resident representatives, but by UNDP headquarters. Some measures are envisaged at the country level to address this problem. In addition, it is noted that part of the issue is related to differing degrees of flexibility in the rules and procedures governing operations. Specific actions are envisaged to enable the United Nations bodies to compete on equal terms in the commissioning of subcontractors and individual consultants, as well as in the provision of technical and managerial backstopping for project execution. The generalisation of government execution, with increasing focus on the provision by the United Nations system of technical advice and accumulated experience to backstop national activities, should further significantly reduce the problem. In the mean time, combined with access to fuller information on the technical co-operation capacity of the bodies concerned, these measures should facilitate the task of the resident representative in representing these entities, as well as his or her work as resident co-ordinator, in ensuring that their input is effectively mobilised in an integrated manner.

320. It should be evident from the above information and from the technical papers that much work is proposed for the next two years to ensure the more effective functioning of the resident co-ordinator system. It is envisaged that at the end of that period, on the basis of concerted initiatives, experience and consultations with host governments, it will prove possible to complete the formal review of the ACC arrangements. This would take into account, among others, those elements such as emergency relief, public information on development activities, and the linkages between normative and analytical work and operational activities at the country level, which have assumed increased significance over the past decade and for which there is de facto recognition of the role of the resident co-ordinator.

### 3 . Resources for resident co-ordinators

321. In paragraph 23 of resolution 42/196, the General Assembly also requested the Director-General, in consultation with the Administrator of UNDP, to assess the resources required by resident co-ordinators to carry out their increasing responsibilities, taking into account differing national situations.

322. A questionnaire on this subject was addressed to resident co-ordinators by UNDP in March 1988. At the time, it was too early to estimate the additional responsibilities and work-load that would be generated by a more comprehensive interpretation of the resident co-ordinator concept. Since then, however, direct

consultations with resident **co-ordinators** have tended to reveal that in order to carry out existing responsibilities, there is a need for professional assistance (at least one staff member), together with funds for short-term international and local **consultancies**. Many resident co-ordinators have themselves suggested that, in the short run, it would in any case be most helpful to their assuming substantive leadership if they could dispose of a modest sum to be utilized specifically for mobilising technical capacities around selected priority themes. An initial allocation of \$10,000 to \$15,000 per country (or a total of some \$2 million per year) would enable resident co-ordinators to arrange consultations on cross-aectoral issues of common concern, drawing on the capacities of the United Nations system and involving, as appropriate, local and international specialists. This could prove a determining input in stimulating country-level collaboration.

323. Since then, discussions both in intergovernmental forums and among organisations and agencies about their future roles in development co-operation point towards an even more substantively oriented interpretation of the resident co-ordinator concept. The Director-General for Development and International Economic Co-operation accordingly believes that examination of the resources that resident co-ordinators require should be further pursued in this wider context.

324. The material in the present policy review itself indicates the need to carefully **synchronize** concrete recommendations on these resources with the results of all studies now under way for the 1990s. The original role of co-ordinating the operational activities of the system is now more clearly perceived in the context of helping governments to organize and manage the co-ordination of all external assistance and, indeed, in the context of a decisive effort in comprehensive national development capacity-building. The work carried out at General Assembly request in respect of country-level programming and of providing multidisciplinary technical advice through the United Nations system: the many expressions of the need to achieve greater decentralization, flexibility, and country-specificity; the need for decisive advances towards national project execution - all have further implications for the resident co-ordinator concept. Within all of these studies and trends, there is the further question - again highlighted in the present review - of enabling developing countries to draw the maximum continuing benefit from the competences of the specialized agencies, and of how to arrive at flexible, country-specific sectoral back-stopping as well as multidisciplinary advice in a new kind of cohesive teamwork led by the resident co-ordinator.

325. The Director-General will further examine the implications for this emergent-new profile of United Nations system leadership at the country level in the integrated country reviews, as well as through his consultations with and recent reports from all resident co-ordinators. He will report further to the General Assembly in such a manner as to ensure optimally integrated and cost-effective recommendations on the resources required by the resident co-ordinators to carry out the increasing responsibilities implied by resolutions and decisions since the last comprehensive review.

Notes

1/ See the mid-term review of the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990, document A/43/50; the cross-organisational programme analysis of the activities of the United Nations system for the advancement of women, document E/1989/19; the Least Developed Countries 1988 report prepared by the UNCTAD secretariat, document TD/B/1202; and the report on the least developed countries and action in their favour by the international community, document A/CONF.104/2/Rev.1.

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4/ Ibid., para. 4 5 .

5/ Ibid., para. 6 1 .