

UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/7323
11 November 1968

ORIGINAL: ENGLISH

Twenty-third session
Agenda item 80

IMPLEMENTATION OF THE RECOMMENDATIONS OF THE AD HOC
COMMITTEE OF EXPERTS TO EXAMINE THE FINANCES OF THE
UNITED NATIONS AND THE SPECIALIZED AGENCIES

Ninth report of the Advisory Committee on Administrative and Budgetary
Questions to the General Assembly at its twenty-third session

1. At its twenty-second session the General Assembly decided in resolution 2360 (XXII) on the implementation of the recommendations of the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies, that at its twenty-third session, following receipt of an updated report of the Secretary-General and the comments of the Advisory Committee on Administrative and Budgetary Questions thereon, it would again consider the current state of the implementation of the Ad Hoc Committee's recommendations by the United Nations family of organizations.
2. In his updated report (A/7124 and Add.1) the Secretary-General does not attempt to summarize or to classify the detailed descriptions of the arrangements made by the respective organizations in the United Nations system to implement the recommendations. While regretting that such a summary or classification has not been made, the Advisory Committee understands the reasons why the Secretary-General felt unable to analyse the information provided by the individual organizations and to draw conclusions on the state of implementation other than those contained in paragraphs 6-10 of his report. The main reasons were that not all organizations interpret the recommendations in the same way, and hence the information given by them is not always comparable, and that many of the responses are insufficiently specific to make it possible to draw conclusions. For the same reasons the Committee is not in a position to present the General Assembly with a precise composite picture of the over-all state of implementation; the Committee intends,

however, to deal with some aspects of the question in its report to the General Assembly on administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency (IAEA).

3. The above observation notwithstanding, the Advisory Committee appreciates the efforts made by the executive heads of individual agencies to provide an indication of the consideration which they have given to the recommendations or of the manner in which they have resolved, or propose to resolve, the questions raised by the Ad Hoc Committee. The Committee also acknowledges that the governing organs of most organizations have given serious consideration to the recommendations.

4. While in some cases measures have been taken to comply with certain recommendations and in other cases changes of procedures - which had been contemplated or initiated before the Ad Hoc Committee submitted its second report to the General Assembly at its twenty-first session - lead to such compliance, progress in the implementation of the recommendations has, in general, been slow. The Advisory Committee understands the difficulties, constitutional and otherwise, which many specialized agencies are experiencing in adjusting their budgetary and administrative procedures to the goals set in the recommendations. On the other hand, the Committee is of the opinion that even without constitutional or concept changes in those procedures progress can be made in a short time. The Committee is also of the view that, in some cases when the agencies consider that their present procedures and practices are in conformity with the recommendations, it is questionable whether the aims of those recommendations were fully understood.

5. It is obvious that younger organizations, still in the course of shaping their procedures, find fewer obstacles to adopting the recommendations than agencies with long-established and adequately functioning working methods. A case in point is IAEA, which has in a relatively short time made considerable headway towards the goals set by the Ad Hoc Committee.

6. Although the detailed information compiled in the updated report was insufficiently precise to allow the Advisory Committee to draw clear conclusions on the implementation of the recommendations by all organizations, the following general trends emerge from the Secretary-General's report and the discussions which the Advisory Committee has had with representatives of the specialized agencies:

(a) In most organizations steps are being taken or considered towards an earlier preparation of budget estimates.

(b) Standardization of budget formats has not yet been accepted, but all organizations have been co-operating in a study of this issue, which is being carried out under the auspices of the Advisory Committee.

(c) There are no indications of real progress in the application of common principles of budget presentation.

(d) With few exceptions the recommendations on transfers with and between appropriation lines are being applied.

(e) Considerable differences still exist in the procedures regarding supplementary estimates and drawings on working capital funds; as most organizations find their present procedures satisfactory, they are reluctant to change them.

(f) The adoption of a biennial budget cycle was considered by the organizations which now budget on an annual basis - the ILO decided in favour of a biennial system, WHO and IAEA to retain an annual budget.

(g) Efforts to standardize nomenclature, to which attention is drawn in paragraph 6 of the Secretary-General's report (A/7124), are being continued.

(h) The Joint Inspection Unit started its operations with the co-operation of all organizations.^{1/}

(i) Longer-term programme planning is in preparation by most organizations.

(j) The need for improvements in the evaluation processes of existing programmes and projects is generally acknowledged and in some agencies progress is being made in this regard.

(k) No appreciable progress has been made in respect of the reduction or limitation of the number and length of conferences and meetings. Most organizations refer this issue to Member States. The problem is more serious in the United Nations than in some specialized agencies.

(l) A better understanding begins to emerge of the need for a limitation of documentation and records, although much remains to be done.

^{1/} The Advisory Committee will deal with this question more fully in its report on general co-ordination matters.

(m) Some organizations have taken steps to implement the Ad Hoc Committee's recommendation on the need for reports on budget performance.^{2/}

7. The Advisory Committee is convinced that if the recommendations of the Ad Hoc Committee are kept under consideration by all organizations, individually and collectively, considerable further progress can and should be made towards their full implementation.

RECOMMENDATIONS OF THE ADVISORY COMMITTEE

8. The Advisory Committee accordingly recommends that the General Assembly may wish to request the Secretary-General, in his dual capacity as Chief Executive Officer of the United Nations and as Chairman of the Administrative Committee on Co-ordination to submit a further report on the state of the implementation of the recommendations of the Ad Hoc Committee to the General Assembly at its twenty-fifth session.

9. In the meantime the Advisory Committee intends to keep under review the state of the implementation of these recommendations and to report thereon to the General Assembly in its annual reports on administrative and budgetary co-ordination of the United Nations with the specialized agencies and IAEA.

^{2/} Official Records of the General Assembly, Twenty-first Session, Annexes, agenda item 80, document A/6343, para. 34.