



UNITED NATIONS
GENERAL
ASSEMBLY



Distr.
GENERAL

A/7738
30 October 1969

ORIGINAL: ENGLISH

Twenty-fourth session
Agenda item 81

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

Supplementary arrangements for handling the reports of the Joint Inspection
Unit (Economic and Social Council resolution 1457 (XLVII))

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

1. The Advisory Committee on Administrative and Budgetary Questions has considered the note by the Secretary-General (A/C.5/1242) concerning the supplementary arrangements for handling the reports of the Joint Inspection Unit, as proposed in Economic and Social Council resolution 1457 (XLVII) of 8 August 1969.

2. In the case of inspection reports on the activities of the United Nations, the Council requests the Secretary-General to arrange with the Advisory Committee that:

"(a) All reports concerning activities under the general responsibility of the Council, with the observations of the Secretary-General be submitted to it without any delay, through the Committee for Programme and Co-ordination;

"(b) Reports concerning the activities of any United Nations programmes (United Nations Conference on Trade and Development, United Nations Development Programme, United Nations High Commissioner for Refugees, United Nations Children's Fund, United Nations Industrial Development Organization) be submitted similarly without any delay, and with executive comments to the governing organs of the programmes concerned;

"(c) The comments of the Advisory Committee on Administrative and Budgetary Questions be transmitted to the Council and the Committee for Programme and Co-ordination, and to the governing organs of the United Nations programmes, in time for them to be taken into account before final consideration of the reports."

3. The existing arrangements for the handling and distribution of the reports of the Joint Inspection Unit are prescribed in the second report of the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies, which recommended the establishment of the Unit;^{1/} the recommendations contained in that report were approved by the General Assembly in resolution 2150 (XXI) of 4 November 1966. The recommendations provide that the reports are to be sent simultaneously to the service being reported on and to the executive head of the organization concerned; that the executive head should transmit them, together with the relevant observations, to the executive board or governing body concerned - in the case of the United Nations to the Advisory Committee; that the executive board should decide on the further distribution, if desirable, of the inspection report and its appendices, and should transmit a résumé of the report, comments and action to the Special Committee on Co-ordination of the Economic and Social Council, for its information.
4. Having analysed the situation the Secretary-General concluded, in paragraph 7 of his note (A/C.5/1242):

"... bearing in mind that in accordance with General Assembly resolution 2475 (XXIII) a full and detailed report on the implementation of the recommendations of the Ad Hoc Committee of Experts, including those concerning the Joint Inspection Unit does not fall due until next year, the Secretary-General considers that the objective sought by Council resolution 1457 (XLVII) might perhaps be achieved meanwhile by interpretation of the relevant provisions of the basic procedures laid down in the Ad Hoc Committee's report. Since, under these procedures, the Advisory Committee in the United Nations is already empowered 'to decide on the further distribution, if desirable, of the inspection reports', it might prove possible for the Advisory Committee to exercise this authority in such a manner as to satisfy the purpose of Council resolution 1457 (XLVII)."

1/ Official Records of the General Assembly, Twenty-first Session, Annexes, agenda item 80, document A/6343, para. 67 B.

Observations of the Advisory Committee

5. The Advisory Committee agrees with the Secretary-General that it should be possible to attain the objectives sought by the Committee for Programme and Co-ordination (CPC) and the Economic and Social Council without the need for formal changes in the existing arrangements. The present arrangements, of course, provide for the communication by the Advisory Committee to the Council, for its information, of a résumé of the inspection reports, comments and action. Under the proposed supplementary arrangements, the Economic and Social Council wishes to receive the full texts of the formal reports concerning activities coming under the Council's general responsibility. In view of the stress laid by the Unit on programme matters, including technical assistance activities, the Council's request is well founded.

6. Similarly, the Advisory Committee understands the desire of the Council to receive the aforesaid reports without delay together with the Secretary-General's observations. Accordingly, in pursuance of the functions recommended for the Advisory Committee in the second report of the Ad Hoc Committee of Experts,^{2/} the Committee will ensure that the formal inspection reports which deal with activities under the general responsibility of the Council, together with the Secretary-General's observations, are transmitted to the Council, through the Committee for Programme and Co-ordination, at the same time as they are received by the Advisory Committee. The Advisory Committee notes from the agreement reached between the Committee for Programme and Co-ordination and the Advisory Committee on Co-ordination in July 1969,^{3/} endorsed by the Council in resolution 1457 (XLVII), that the CPC plans to await the Advisory Committee's observations before giving final consideration to the reports of the Joint Inspection Unit on the activities of the United Nations.

7. As regards the suggestion that reports concerning the activities of UNCTAD, UNDP, UNHCR, UNICEF and UNIDO should be submitted without any delay, and with executive comments, to the governing organs of the programmes concerned, the Advisory Committee would point out that, whereas the programmes of UNDP and UNICEF are financed wholly out of voluntary contributions reviewed by their own governing organs, UNCTAD and UNIDO are financed primarily from the regular budget of the

^{2/} Ibid., para. 67 B (d) (v).

^{3/} E/4717 and Corr.1, para. 25 (2).

United Nations, while UNHCR has its own executive body for review of voluntary contributions but derives its administrative expenses from the regular budget of the United Nations. In so far as the voluntary programmes are concerned, the existing arrangements make provision for the submission of reports by the inspector or inspectors concerned direct to the executive head of the programme. The recommendation by the Council that such inspection reports, together with the relevant observations, should be submitted to the governing organ of the voluntary programme concerned, certainly fills a gap in the recommendations of the Ad Hoc Committee; on the other hand, the implicit suggestion that such reports should be submitted simultaneously to the Council could raise constitutional issues which would require clarification in consultation with the governing organs of the voluntary programmes concerned.

8. Inspection reports relating to UNCTAD and UNIDO fall into a different category, for those organizations are an integral part of the United Nations: they are financed under the United Nations regular budget, and they report to the Secretary-General of the United Nations, who has ultimate responsibility for them towards the Member States. Hence, the "executive comments" referred to in the Council resolution - which are to be submitted to the Board of UNCTAD or UNIDO, as the case may be - should consist of (a) the comments of the service itself, and (b) those of the Secretary-General if - after he has reviewed the comments of the service - he desires to submit a statement of his own. By means of this procedure the Boards will have the full and timely comments they need to perform their respective functions. The Advisory Committee presumes that these Boards, like CFC, will await the observations of the Advisory Committee before giving final consideration to the inspection reports in question.

9. In operative paragraph 3 of resolution 1457 (XLVII) the Economic and Social Council:

"Requests, in particular, that the reports of the Joint Inspection Unit concerning more than one agency or involving system-wide problems should be submitted to the Council, through the Committee for Programme and Co-ordination, together with the observations of the executive heads concerned, within three months of the original submission of the reports to the executive heads."

/...

10. While the Advisory Committee fully agrees with the intent of the request which is to prevent unwarranted delays in the submission and consideration of inspection reports addressed to more than one agency, the request may pose problems for the executive heads concerned, who would be required, on occasion, to transmit their comments to the Council before the report has been considered by their own governing bodies. The Advisory Committee noted that CFC and ACC recognized, at their joint meetings in July 1969, the need to reconcile the exercise of the responsibilities of governing organs with respect to the inspectors' reports with the need for rapid action in regard to co-ordination problems by CFC and the Economic and Social Council, and reached agreement on certain procedures to that effect.^{4/} As regards inspectors' reports concerning the United Nations itself, the Advisory Committee noted the Secretary-General's statement that he would take into account the time-limits for submission of inspection reports laid down in Economic and Social Council resolution 1457 (XLVII) and would endeavour to meet them within the staff resources available to him.^{5/}
11. The question of the supplementary arrangements for handling the reports of the Joint Inspection Unit is closely related to the question of the arrangements for making the inspection reports available to Member States. In the Advisory Committee's opinion it is desirable that the texts of all the formal reports by the Unit, together with the comments of the executive heads, should normally be made available to all Member States. However, in the case of reports which are of more limited interest because of their highly technical or complex nature, and which, therefore would be uneconomical to circulate in their entirety in all the official languages and with "full" distribution, the desired objective might be attained if the author of the report also provided a summary of his observations, conclusions and recommendations in a form suitable for general distribution, while the full text of the report in the original language was made available to delegations upon request. Accordingly, in the interest of economy and efficiency, the Advisory Committee will exercise judgement, on a case-by-case basis, as to the initial distribution of such inspection reports.
12. The Advisory Committee believes that the procedures set out above should satisfy the principal purposes of the Economic and Social Council resolution.

^{4/} Ibid.

^{5/} A/C.5/1242, para. 7.