

**General Assembly**Distr.
GENERALA/45/617
12 October 1990

ORIGINAL: ENGLISH

Forty-fifth session
Agenda items 117 and 119**REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL
FUNCTIONING OF THE UNITED NATIONS****Analytical report of the Secretary-General on the implementation
of General Assembly resolution 41/213****PROGRAMME PLANNING****Proposed medium-term plan for the period 1992-1997****Programme performance of the United Nations for the
biennium 1988-1989****Report of the Advisory Committee on Administrative and
Budgetary Questions**

1. Pursuant to rule 103.5 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation, the Advisory Committee on Administrative and Budgetary Questions has considered the proposed medium-term plan for the period 1992-1997 (A/45/6). In addition, the Advisory Committee has considered the reports of the Secretary-General on programme performance of the United Nations for the biennium 1988-1989 (A/45/218 and Add.1 and Add.1/Corr.1), and on the implementation of General Assembly resolution 41/213 (A/45/226). The Advisory Committee also had before it the consolidated summary of the comments and recommendations made by Member States and intergovernmental bodies since 1988 on the draft introduction to the medium-term plan for the period 1992-1997 (A/45/279).

Proposed medium-term plan for the period 1992-1997

2. The preparation of the medium-term plan is mandated by the regulations and rules governing programme planning, the programme aspects of the budget, the monitoring of implementation and the methods of evaluation; as stipulated therein,

"after adoption by the General Assembly, the medium-term plan shall constitute the principal policy directive of the United Nations which: (a) states the medium-term objectives to be attained in the plan period; (b) describes the strategy to be followed to that effect and the means of action to be used; (c) gives an indicative estimate of the necessary resources" (regulation 3.3). The Advisory Committee has previously stated that, "ideally, the medium-term plan should serve as the plan of work for the Organization, and that it should be set out in a manner that would permit Member States to review the work plan and the related priorities attached to the programmes in the plan and to give guidance as to what and how much can realistically be carried out during the plan period" (A/43/626).

3. It is the Advisory Committee's view that the time has come to address seriously the issue of whether the medium-term plan, in its current form, fulfils the criteria set out in the programme planning regulations and rules, and whether it permits the kind of review mentioned above. Notwithstanding the improvements which have been effected since the previous plan, the Advisory Committee is of the view that much remains to be done if the medium-term plan is to be of real use to the Member States and the Secretariat. In some of the paragraphs below the Committee makes a number of suggestions concerning further improvements. These are not intended to be exhaustive but rather to serve as a guide to the Secretariat and to generate further suggestions and discussion among Member States.

4. As stated in paragraph 1 of the Secretariat's consolidated summary of comments and recommendations on the draft introduction to the plan (A/45/279), pursuant to General Assembly resolution 41/213 (and subsequent resolutions), "the involvement of Member States in the process of preparation of the proposed medium-term plan for the period 1992-1997 has been wide-ranging and comprehensive". That involvement included the consideration of the Secretary-General's perspectives on the work of the Organization in the next decade (A/42/512) as well as a draft introduction to the plan contained in A/43/329 and Add.1 and Add.1/Corr.1. As stated in paragraph 234 of the Secretary-General's analytical report on the implementation of General Assembly resolution 41/213 (A/45/226), "a calendar of consultations of functional, regional and sectoral intergovernmental bodies on the various chapters of the plan was also submitted to ... the General Assembly in 1988 (A/43/626)", and "such consultations occurred during the course of 1989, within the constraints of the schedule of the meetings of intergovernmental bodies". In this connection, the Committee notes from the annex to the introduction of the draft medium-term plan that 29 programmes were reviewed by the relevant reviewing body/bodies.

5. The Advisory Committee welcomes this development; it also notes the Secretary-General's statement in paragraph 235 of his report A/45/226, that "the preparation of both the medium-term plan and the programme budget would benefit from a greater involvement of specialized intergovernmental bodies". The Committee shares this view and trusts that more programmes will be subject to review by an appropriate body in the future. In this connection, the Committee is cognizant of the fact that a competent reviewing body does not exist in respect of all programmes. However, it hopes that where such a body exists the necessary review will be undertaken. The Committee is also aware that the calendar of conferences does not facilitate such a review in all cases; that point is highlighted by the Secretary-General in the same paragraph of his report wherein he notes that the

obstacles to overcome regarding a greater involvement of specialized intergovernmental bodies "are, however, extremely severe", and "pertain to the complexity of scheduling meetings in relation with several constraints and objectives ...". Nevertheless, the Committee trusts that every effort will be made to expand the review.

6. The Advisory Committee is also of the view that for the consultative process to be meaningful the quality of the intergovernmental review needs to be improved. In this connection, the Committee understands that discussions by a number of relevant bodies were less than exhaustive and that this in turn related in part to the quality of the draft texts of programmes submitted.

7. The Advisory Committee also understands that the lack of debate reflected in part a lack of familiarity on the part of the reviewing bodies with this type of task, as well as, as stated in the Secretary-General's report A/45/226, "the difficulty, for Member States and within the Secretariat, to develop and share a common language on matters of programming and budgeting" (para. 235). That being the case, it is essential that the submissions to reviewing bodies be clear and concise. In the opinion of the Committee, the "development of a common language" can be achieved through greater involvement of top management in the preparation of the draft plan.

8. At the same time, the Advisory Committee emphasizes that the competent reviewing bodies should provide specific guidelines to the Secretary-General, including recommendations on priorities. As stated in regulation 3.16 of the regulations and rules governing programme planning, "intergovernmental and expert bodies shall, when reviewing the relevant chapters of the proposed medium-term plan, recommend priorities among subprogrammes in their field of competence ...".

9. Notwithstanding its call for increased involvement of intergovernmental bodies, the Advisory Committee reiterates the view expressed in its first report on the proposed programme budget for 1990-1991 that the increased role of these bodies "should in no way infringe upon the existing procedures for decision-making as set forth in the budgeting process approved by the General Assembly in resolution 41/213" (A/44/7, para. 72).

10. As mentioned in paragraph 1 above, the Advisory Committee had before it a consolidated summary of comments and recommendations made by Member States and intergovernmental bodies on the draft introduction to the medium-term plan as contained in document A/45/279. Because the comments/recommendations have not been organized along programme lines, the document does not facilitate consideration of the plan. While recognizing that this summary has been submitted pursuant to General Assembly resolution 43/219, the Committee believes that the document should be significantly improved in the future, both in form and content.

11. The Advisory Committee notes that the structure of the proposed medium-term plan reflects an effort to streamline the document: major programmes total 10, under which there are 45 programmes (including one on African economic recovery, development and transformation, requested by the Committee for Programme and Co-ordination during its consideration of the plan) and 257 subprogrammes. The

Committee welcomes the progress achieved in streamlining the plan and reiterates that this should not be construed as reducing United Nations activities.

12. Notwithstanding this structural improvement, the Advisory Committee believes that many more structural refinements are necessary. In the Committee's opinion, the plan must be simplified and shortened if it is to be of use; the verbosity, repetitiveness and length of the current submission undermine its usefulness.

13. In addition to overall streamlining of the plan, the Advisory Committee also believes that thought should be given to differentiating between the presentation of support and substantive programmes. In this connection, the Committee questions the rationale for organizing the support programmes (Major programmes IX and X, programmes 39-44) in the same format as followed for the substantive programmes. Specifically, the Committee questions the necessity of including a general orientation and overall strategy section for these programmes. In the Committee's opinion, the format of these programmes should be greatly simplified and structured according to the objectives to be attained and the activities necessary to achieve those objectives. In this connection, the Committee notes that regulation 3.6 of the rules governing programme planning stipulates that "the plan shall be presented by programme and objective, and not by organizational unit"; however, rule 103.6 states that "for servicing activities the format of the medium-term plan proposals shall be by organizational unit and by function ...". In the opinion of the Advisory Committee, this has led to repetitiveness and duplication in narratives. Presentation of major programmes IX and X should therefore be reviewed and refined.

14. Another issue which needs to be addressed relates to the coverage of the medium-term plan. Regulation 3.5 of the regulations and rules governing programme planning stipulates that "the plan shall cover all activities, substantive and servicing, including those to be financed partially or fully from extrabudgetary resources". In the Committee's opinion, some questions arise vis-à-vis the feasibility of implementing this regulation as formulated, and in this connection, it reiterates the view expressed in paragraph 25 of its report (A/43/626):

"With regard to extrabudgetary resources, the Committee notes that there are two types: those under full custody of and administration by the Secretary-General, such as trust funds and special accounts, and those that are directly administered by semi-autonomous entities such as the United Nations Development Programme, the United Nations Population Fund, the Office of the United Nations High Commissioner for Refugees, the United Nations Environment Programme and the United Nations Centre on Human Settlements (Habitat). In the case of those semi-autonomous entities whose programmes and priorities are approved by their respective governing bodies, questions arise as to the extent that programmes and priorities so approved dovetail with those included in the United Nations medium-term plan."

15. Without prejudice to its observations above, the Advisory Committee also points out that, in any event, the regulations and rules governing programme planning state that "where an entire subprogramme, or an entire identifiable segment thereof, is expected to be financed from extrabudgetary resources this

shall be indicated" (rule 103.3). The lack of such indications in the proposed plan will, in the Committee's view, hamper future evaluations on the implementation of the plan, particularly in respect to the substantive programmes. Consequently, the Committee believes that further action is required in this connection.

16. Rule 103.3 of the regulations and rules governing programme planning also states, inter alia, that "at the major programme level, the medium-term plan shall include indicative estimates of its resource implications ...; the estimates shall include assumptions on the availability of extrabudgetary funds". The Advisory Committee notes that the plan does not contain estimates of human or financial resources. Given the six-year cycle, the question also arises whether, in fact, estimates of this nature can be meaningful and realistic. Related to this question is that of the linkage between the medium-term plan and the programme budgets. As approved, the plan is supposed to serve as the framework for the formulation of the programme budgets and the priorities approved in the plan are supposed to guide the allocation of budgetary and extrabudgetary resources. In the opinion of the Committee, the extent to which the plan serves these purposes is unclear and needs to be addressed by the Secretary-General and Member States.

17. The matter of evaluation deserves mention in any discussion of the medium-term plan. If a meaningful plan is to be conceived, evaluation must be undertaken in such a way as to impact on the preparation of both the plan and programme budgets. Given the problem of non-synchronized evaluation cycles, the Advisory Committee queries the extent to which evaluation results have, in fact, influenced the current submission. Furthermore, the very concept of evaluation itself and what it entails, is not, in the opinion of the Committee, uniformly appreciated and applied. In this connection, the Committee notes from the Secretary-General's report on the application of evaluation findings in programme design, delivery and policy directives (A/45/204, para. 46), that "evaluation has still not been completely accepted as a management tool", and has not, "for the most part, been systematically and routinely integrated into the decision-making and management process". Furthermore, "basic terminology, concepts and procedures for programme planning and evaluation, however, have not been applied consistently or, in some cases, have not been sufficiently understood, by programme managers". The Secretary-General also notes that "further refinement is required for evaluation methodologies" and that the lessons derived from evaluations "need to be applied if the findings are to serve any purpose, whether at the levels of implementation, monitoring, preparation of programme budgets or formulation of the medium-term plan". The need for intergovernmental action on recommendations resulting from evaluation findings is also required "in order to reinforce the effective use of evaluation findings" (ibid., para. 47).

18. Related to the question of evaluation is that of programme performance. In the Advisory Committee's opinion, reports such as those contained in the Secretary-General's report A/45/218 and Add.1 on the programme performance for the biennium 1988-1989 are of little value in preparing subsequent programme budgets/medium-term plans (see paras. 22 and 23 below); moreover the very timing of their submission does not permit them to be useful in the preparation of a subsequent programme budget given the budgetary cycle.

19. As provided for in rule 103.5 of the regulations and rules governing programme planning, the medium-term plan proposals for the entire plan, including common and conference services, have been submitted to the Advisory Committee. The common and conference "support" services, are covered in chapters 39-44 of the plan. In this connection, the Advisory Committee notes that a number of issues touched on in these chapters will be the subject of progress reports by the Secretary-General, e.g. the IMIS and optical disc projects, the matter of common and joint services at Vienna and the question of extrabudgetary financing. The Secretary-General will also report on a number of matters related to peace-keeping such as economies of scale, start-up problems, the establishment of a reserve stock of equipment and supply items, the use of civilian personnel in peace-keeping operations and the establishment of the support account for peace-keeping operations, matters which are mentioned in chapters 42 and 43 of the plan. The Committee will make specific observations in respect of these items in the context of its consideration of the Secretary-General's reports.

Analytical report of the Secretary-General on the implementation
of General Assembly resolution 41/213 (A/45/226)

20. As stated in paragraphs 6 and 7, this report has been submitted pursuant to General Assembly resolution 44/200 A and "provides detailed information concerning implementation of each recommendation of the Group of High-level Intergovernmental Experts through 31 December 1989 ...". In this connection, the Advisory Committee notes the Secretary-General's statements that "it is evident that the programme of administrative reforms initiated in 1986 has been largely implemented," (para. 8) and that "the lengthy political process that culminated in the adoption by the General Assembly of resolution 41/213 and subsequent resolutions has largely achieved its purpose" (para. 258). Accordingly, "the time has come for the Organization to consolidate itself and to move forward ... on the basis of the medium-term plan for the period 1992-1997 ..." (para. 259). At the same time, the Secretary-General acknowledges that the task is not over and that "further changes may be required to enable the Organization to adapt itself to respond fully and effectively to new and emerging issues". In this connection, he notes that "reform is not a finite process, nor an end itself, but implies a constant review of the functioning of the Organization in relation to its objectives" (para. 260).

21. In the view of the Advisory Committee, enhanced efficiency and effectiveness will be compromised if efforts to streamline cumbersome administrative, personnel and budgetary procedures are not redoubled. The Board of Auditors has discussed a number of these procedures in its report A/45/5, which are mentioned in the Committee's related report A/45/570 and Corr.1. In the preceding paragraphs, the Committee has also drawn attention to the need to further improve the consultative process as well as the evaluation process; these issues are discussed in parts V and VI of the Secretary-General's analytical report. The Committee's observations in respect of the outline, and contingency fund, also discussed in the analytical report, will be submitted in the context of its consideration of the Secretary-General's reports on these subjects.

Programme performance of the United Nations for the
biennium 1988-1989 (A/45/218 and Add.1)

22. The Advisory Committee discussed this report with representatives of the Secretary-General at its spring 1990 session. The Committee notes that "the present report provides only a quantitative picture of the status of output delivery during the biennium 1988-1989" and does not cover some activities of the Organization nor attempt to "assess the quality and relevance of the outputs produced". Outputs which are very different in terms of their call on resources are also treated equally. The Secretary-General goes on to say that "such limitations are intrinsic to the exercise and could be overcome only through fundamental changes in the conception of monitoring and, indeed, of the planning, programming and budgeting process" (para. 17).

23. In view of these limitations, the Committee questions the usefulness of the present report to Member States and believes that issuance of further programme performance reports should be suspended pending a resolution of the underlying methodological difficulties.
