



Fifteenth session
Agenda item 30

PROGRAMMES OF TECHNICAL ASSISTANCE

Budget estimates of the Technical Assistance Board secretariat:

- (a) Supplementary estimates for 1960
- (b) Estimates for 1961

Twentieth report of the Advisory Committee on Administrative and Budgetary Questions to the General Assembly at its fifteenth session

Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the 1961 budget estimates of the Technical Assistance Board (TAB) secretariat, which have been submitted by the Executive Chairman of TAB in document E/TAC/101 and Corr.1. At the same time, the Advisory Committee has also reviewed the supplementary estimates of the TAB secretariat for 1960, contained in document E/TAC/100.
2. The Advisory Committee's examination of the TAB estimates is complementary to its review of the administrative budget of the United Nations Special Fund and the regular budgets of the United Nations, the specialized agencies and the International Atomic Energy Agency (IAEA), all of which have a close bearing on the administrative and financial arrangements and procedures in respect of the Expanded Programme of Technical Assistance and, therefore, of the TAB secretariat.^{1/}

^{1/} For the Advisory Committee's report on the 1961 budget estimates of the United Nations, see Official Records of the General Assembly, Fifteenth Session, Supplement No. 7 (A/4408); for the Committee's report on the 1961 administrative budget of the Special Fund, see document A/4565. The Committee will shortly report on the 1961 budgets of the specialized agencies and the IAEA.

General comments

3. The TAB estimates under review reflect the fact that the Expanded Programme of Technical Assistance as well as other United Nations programmes of assistance have reached a new point of departure, with an ever-increasing number of requests for co-operative action from a growing community of nations and territories. This expansion of activities will be facilitated, as far as the Expanded Programme is concerned, by an increase of some \$6.5 million in the pledges so far announced for 1961 as compared with 1960.

4. There appear to be four principal factors which affect the estimates of the 1961 costs of the TAB secretariat including the field offices. In the first place, the field structure of TAB is expanding, with nine new offices, mostly in Africa, proposed for 1961.^{2/} This expansion is illustrative not only of the growth of the Expanded Programme but also of its wider geographic spread and of the special attention that is being devoted under all programmes of the United Nations and the specialized agencies to newly independent countries. In its report on the TAB estimates for 1960, the Advisory Committee commented on the evolution of the structure and functions of TAB field offices from simple co-ordinating units for the development of the Expanded Programme to centres of liaison and co-operation in the field in respect of a variety of activities of the United Nations family of organizations, including, most recently, the work of the United Nations Special Fund.^{3/} The Economic and Social Council, at its thirtieth session, examined the question of co-ordination in the field in some detail and, in resolution 795 (XXX), expressed the view that, with the consent of the Governments concerned, resident representatives should be made available to the newly-independent countries as quickly as possible, as well as to other countries where appropriate, and that the administrative support for the offices of the resident representatives should be strengthened.

^{2/} The proposed new field offices comprise seven in Africa (Central Africa region, Madagascar, North-West Africa region, Sierra Leone, Tanganyika, Togo, West Africa region), one in the Caribbean region and one in South-East Asia.

^{3/} Official Records of the General Assembly, Fourteenth Session, Annexes, agenda item 31, document A/4269, paras. 2-3.

5. The second factor governing the estimates has been touched upon generally in the preceding paragraph, and it has a considerable importance specifically in relation to the organization and costs of TAB field offices. It is the growing support which those offices will be called upon to provide to the expanding activities of the Special Fund, many projects under which are now passing into the actual operational stage. From the inception of the Special Fund, it has been recognized, as evidenced by paragraphs 29-30 of Part B of General Assembly resolution 1240 (XIII) of 14 October 1958, that the existing facilities of TAB, as of other programmes and organizations in the United Nations system, should be utilized to the fullest possible extent for the purposes of the Special Fund. The experience so far with the use of resident representatives and their offices to provide appropriate services in the field to the Managing Director of the Special Fund confirms the correctness of this approach as opposed to the setting up of a parallel field structure for Special Fund activities. The Advisory Committee has previously suggested in this regard that the future need might be for a field organization to cover various requirements of the United Nations family and where Expanded Programme functions would constitute only one - no doubt an important one - of several responsibilities.^{4/} The Committee has noted with interest that there is a smooth evolution of TAB field offices towards taking on services and functions on behalf of the Managing Director of the Special Fund and that the latter has an appropriate voice in the management of the resident representatives and their offices.

6. A third factor affecting the estimates concerns the impact on the TAB secretariat's programming functions of the increasingly complex problems of currency utilization and of the elimination of agency sub-totals in the planning targets conveyed to recipient Governments to enable them to formulate their country programmes. The fullest and most effective utilization of resources in blocked or non-convertible currencies requires care and planning in the management of the programme as well as a proper correlation, at the stage of programme formulation, of projects to the availability of resources in the different currencies. The elimination of agency sub-totals - which incidentally has been

^{4/} Ibid., para. 3.

facilitated because it took place at a time when the programme was being generally expanded and was carried out in conjunction with decisions in favour of programming on the basis of the entire duration of a project^{5/} rather than for one year at a time - would put added responsibilities on the TAB secretariat to ensure the development of properly balanced programmes; it would similarly increase the role and functions of the resident representatives in regard to their responsibilities for assisting Governments in preparing a properly co-ordinated country programme.

7. The fourth factor which influences the estimates is related to statutory and other normal increases in secretariat costs. In addition to a 5 per cent increase in General Service salaries at Headquarters, the post adjustment classifications (in respect of staff in the Professional and higher categories) of a number of duty stations have been revised upwards. Similarly, there have been upward adjustments of the salary scales applicable to locally recruited staff at a number of field offices.^{6/}

8. In its assessment of the budgetary requirements of the TAB secretariat, the Advisory Committee has been guided mainly by the factors mentioned above. The Committee deals below first with the supplementary estimates for 1960 and then with the estimates for 1961.

Supplementary estimates for 1960

9. The Executive Chairman has requested a supplementary appropriation of \$60,000 to cover certain additional 1960 requirements, over and above the initial net appropriation of \$2,221,100 (E/TAC/100). The additional amount comprises (a) \$36,000 at Headquarters, in respect of authorized salary adjustments, increased temporary assistance and overtime, and a shortfall in savings on turnover of staff, together with some extra requirements for freight, cables and other communications; and (b) \$24,000 in the field, due mainly to unforeseen requirements in the offices in Laos and Central America.

^{5/} The details of the system of project programming are to be studied further; however, budgeting and allocations for projects will continue to be on an annual basis as heretofore.

^{6/} TAB applies the same salary revisions and changes in post adjustments as are authorized generally in the United Nations under established procedures in respect of the common salary and allowance system.

10. The Advisory Committee has inquired into the details of these requirements in the light of the budgetary situation obtaining at the end of September 1960. On that date, total obligations at Headquarters amounted to \$589,606 against an approved amount of \$600,900, while obligations against field accounts^{7/} totalled \$137,653 against a budgeted amount of \$1,661,800. The evidence submitted to the Committee appears to warrant an increase in the 1960 authorized budget by \$60,000 from \$2,221,100 to \$2,281,100, as requested by the Executive Chairman.^{8/}

Estimates for 1961

11. The total of the estimates proposed for 1961 (E/TAC/101 and Corr.1) amounts to \$3,246,700 (net of staff assessment), an increase of \$1,025,600 over the amount initially approved for 1960.^{9/} Of the total provision requested, an amount of \$410,000, or \$260,000 more than in 1960, would be received as a subvention from the Special Fund towards the costs of TAB field offices in recognition of the services which those offices provide to the Special Fund. The greater part of the total increase, specifically \$922,400, relates to field offices; of this amount, \$464,800 is the estimated cost of establishing nine new offices, with the remainder intended mainly to strengthen existing offices.

12. The comments below are given under the three parts which make up the total estimates.

Part I. Headquarters secretariat

13. The estimate under part I for the Headquarters secretariat amount to a total of \$622,500 on a net basis, representing an increase of \$99,500 - \$65,000 under established posts, \$26,000 under common staff costs, and \$8,000 under other costs - over the initial provision for 1960. Most of the increase is in respect of the proposed establishment of twelve new posts, three in the Professional category and

^{7/} In respect of field accounts, obligations recorded at Headquarters as at 30 September relate in the main to obligations to 31 August or because of the time-lag in the preparation and reporting of accounts.

^{8/} The amounts shown are before deduction of the subvention of \$150,000 from the Special Fund.

^{9/} If account is taken of the supplementary credit of \$60,000, which has been requested for 1960, the increase in the 1961 estimates would be \$965,600.

nine in the General Service category. In addition, one Principal Officer (D-1) post is proposed in lieu of an existing Senior Office (P-5) post.

14. In terms of functions, the proposed changes in the manning table may be summarized as follows:

(a) One additional P-3 post and a secretary in the Liaison Office in Europe,^{10/} but to be located with the Technical Assistance Recruitment Office in Paris,^{11/} to cope with the increasing liaison work with the specialized agencies and with contributing Governments especially in regard to problems connected with the utilization of certain currencies for the recruitment of experts, the placement of fellows and the procurement of equipment;

(b) One additional P-2 post and six secretarial and clerical posts in the Joint Administrative Services Division, to deal with the increased administrative and servicing work-load at Headquarters as a result of the general expansion of the Programme;

(c) One additional P-3 post and two secretarial posts in the Programme Division, following the increased responsibilities in programming devolving on the TAB secretariat (see para. 6 above); and

(d) The substitution of one Principal Officer (D-1) post for that of Senior Officer (P-5) in the Programme Division, essentially related to the correlation of programmes with the effective utilization of resources in different currencies.

Part II. Other joint administrative costs

15. The Advisory Committee has previously concurred^{12/} in the treatment of the provision of \$40,000 under part II of the TAB estimates as a lump sum subvention to the United Nations in partial recognition of certain financial and accounting services provided by the Organization to the Expanded Programme.

^{10/} The Liaison Office in Europe, at Geneva, consists at present of one P-5 official and a secretary.

^{11/} This Office is an outposted unit of the Technical Assistance Recruitment Services in the United Nations Office of Personnel and deals with European recruitment for United Nations technical assistance projects.

^{12/} Official Records of the General Assembly, Fifteenth Session, Supplement No. 7 (A/4408), para. 297.

Part III. Field offices

16. The 1961 estimates under part III for field offices amount to \$2,584,200 (net of staff assessment), or an increase of \$922,400 over the 1960 initial provision. Of the total estimate, an amount of \$410,000 would be offset by a subvention from the administrative budget of the Special Fund; for 1960, there was a similar subvention of \$150,000.

17. The manning table proposed for 1961 is compared below, by categories of staff, with that approved for 1960:

	<u>1961</u>	<u>1960</u>
<u>International staff</u>		
Director (D-2)	22	13
Principal Officer (D-1)	16	14
Professional (P-5 to P-1)	48	33
General Service	<u>35</u>	<u>23</u>
Sub-total	<u>121</u>	<u>83</u>
 <u>Local staff</u>		
Professional	9	7
General Service	<u>499</u>	<u>343</u>
Sub-total	<u>508</u>	<u>350</u>
Grand total	<u><u>629</u></u>	<u><u>433</u></u>

18. The nine new offices proposed for establishment would account for twenty-five international and fifty-nine local staff, as well as a net expenditure for TAB of some \$465,000. The remainder of the additional staff and of the increase in expenditure is related to the maintenance of the other forty-seven offices, allowing for normal salary increments and other similar rises in costs, and a strengthening of nineteen of those offices to take account both of programme expansion and of the increasing responsibilities under the Special Fund.

19. The opening of the new offices as well as the strengthening of existing offices would appear to be in line with the views expressed by the Economic and Social Council in order to render the Expanded Programme more effective and responsive to felt needs and to further co-ordination of activities in the field. The Advisory Committee notes also that all participating organizations continue

to make increasing use of TAB resident representatives and their offices in the service of a wide range of programmes and in a variety of ways. Special reference might also be made to the growing measure of inter-programme co-operation as illustrated by the fact that, so far, in at least five capitals (Athens, Kabul, Lima, Mexico City and New Delhi), the functions of resident representative and director of United Nations information centre have been lodged in one senior official serving both programmes.

20. As regards the budgetary provision for the field offices, it is important, especially during a period of significant expansion, to ensure that the additional administrative credits, which reduce to that extent the funds available for actual projects, are utilized most economically and to maximum advantage for the programme. In this regard, the Advisory Committee understands that the estimates are based on actual anticipated opening dates for the new offices (in some cases, 1 January and in others, 1 April) and the proposed effective dates for the addition of staff to existing offices. There is always the possibility that these anticipations may turn out to be overly optimistic; it is also likely that, even if the new offices are opened fairly well according to schedule, it might take some time before they are in full operation. The rather large number of new posts to be filled may also present problems and delays of recruitment, not entirely foreseen at the present time. The Advisory Committee has the impression that the above-mentioned factors may result in the estimates having been somewhat on the generous side.

21. At the same time, the estimates do not, naturally, make any provision for the financial consequences of any action which the General Assembly may take in 1960 in respect of the pensionable remuneration of staff as a result of recommendations currently before the Assembly (A/4467; A/4468 and Add.1 and Add.1/Corr.1; A/4563). Similarly, no account has been taken of any possible salary revisions in respect of General Service staff, such as have been anticipated in the Secretary-General's report on the supplementary estimates of the United Nations for 1960 (A/4492).

22. In these circumstances, the Advisory Committee, without recommending any specific reductions in the estimates, would suggest that every effort should be made to ensure the most economical operation of the TAB secretariat and its field offices so that additional costs of the type mentioned in the preceding paragraph

might be met through savings within the proposed budgetary provisions. This would clearly be facilitated by the fact that an amount of \$10,000 has been included for contingencies under part III of the budget, an item which represents the reinstatement of a practice discontinued in 1960.

23. The Advisory Committee has reviewed the various individual items covered by the estimates and, while some of the provisions such as those for equipment and travel might be somewhat generous, the Committee trusts that the related credits will be administered with prudence and care so as to limit expenditures to an essential minimum. In this connexion, the Committee hopes that the replacement of vehicles will continue to be based strictly on a determination, in each individual case, of the most economical time and method of such replacement, rather than automatically once every few years.

24. According to present forecasts, contributions from host Governments towards the cost of TAB field offices are estimated (E/TAC/101, table II) at a total amount of \$916,400 in 1961, as compared with \$650,950 in 1960 and \$558,750 in 1959. The increase in these contributions is to be welcomed inasmuch as it promotes the feasibility of devoting a greater proportion of available resources to direct assistance to recipient countries. Nevertheless, the Advisory Committee understands that at the present time the nature and extent of the contribution of host Governments is essentially left to the voluntary initiative of the Government. While the experience has been moderately encouraging, there might be advantage in placing such contributions on a somewhat more formal and regular basis, perhaps related to an ad hoc formula of the type applied to determine assessments of recipient countries towards the "local costs" of experts.

25. As regards the proposed subvention of \$410,000 from the administrative budget of the Special Fund, the Advisory Committee continues to believe that as long as the Executive Chairman of TAB and the Managing Director of the Special Fund agree on a figure for the subvention on the basis of the general evidence available to them, it is not essential to undertake a time-consuming and possibly costly determination of the precise amount of work performed by the field offices for the Special Fund. In the present instance, the figure of \$410,000 is based on a broad review of work-load and costs, office by office, and is considered by both the Executive Chairman and the Managing Director to be relatively on the low side.

/...

Summary of Advisory Committee's suggestions

26. In the light of the foregoing observations, the Advisory Committee would suggest that the Technical Assistance Committee might wish:

(a) To increase the 1960 budget of TAB from the approved amount of \$2,221,100 (net), by \$60,000 to a revised amount of \$2,281,100 (net);

(b) To approve the 1961 estimates of TAB at \$3,246,700 (net), as submitted, on the understanding that any additional costs arising from possible salary revisions and increase in pensionable remuneration should be met by savings from within the approved budget; and

(c) To agree on \$410,000 as the appropriate amount of the subvention to be received from the administrative budget of the Special Fund in 1961, in recognition of the services provided by TAB field offices for Special Fund activities.
