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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1980-1981

The identification of activities that are completed, obsolete,
of marginal usefulness or ineffective

Report of the Secretary-General

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* A/34/150.

I. Measures taken in the preparation of the proposed programme budget for the biennium 1980-1981

1. As a result of its consideration, at its thirty-third session of the proposed medium-term plan for the period 1980-1983, 1/ the report of the Secretary-General on the identification of activities that are completed, obsolete, or marginal usefulness or ineffective, 2/ and the report of ACABQ on this subject, 3/ the General Assembly adopted resolution 33/20⁴ by which it requested the Secretary-General "to implement fully General Assembly resolution 32/201 and to report to the General Assembly at its thirty-fourth session on the measures taken." This report, submitted in compliance with this request, outlines measures taken in the preparation of the proposed programme budget for the biennium 1980-1981, and the results of these measures.

2. In his report to the General Assembly at its thirty-third session on the identification of activities that are completed, obsolete, of marginal usefulness, or ineffective the Secretary-General stated that 4/ the implementation of the recommendations of the Joint Inspection Unit contained in its report on planning and evaluation in the United Nations 5/ would lead to more effective identification of such activities. The main thrust of the measures taken to implement these recommendations was to be the creation of a system for monitoring and evaluating programme performance at the programme element level and for reporting thereon by division directors to departmental and central management levels, as well as to intergovernmental bodies. These measures were to be implemented in the following three stages:

(a) The establishment of a system for identifying the resources required for each programme element in the economic and social and humanitarian sectors of the programme budget at the stage of preparing the budget estimates, thus providing a programme basis for budget estimates and, after adjustments to equate these resources to appropriations, a standard against which to monitor the implementation of the approved programme and budget;

(b) A requirement that programme managers, in the course of preparing programme and budget proposals, should make the value judgements needed to identify activities that are completed, obsolete, of marginal usefulness or ineffective;

(c) The introduction of a process of monitoring on the basis of internal

1/ A/33/6/Rev./1.

2/ A/C.5/33/13.

3/ A/33/7/Add.18.

4/ A/C.5/33/13, para. 12.

5/ A/33/226.

work programmes in each division or section once the programme budget has been established and of systematic reporting on programme and budget implementation.

3. With regard to the first stage, it was decided, in response to the recommendations of the Committee for Programme and Co-ordination, contained in paragraphs 161-166 of its report on the work of its eighteenth session (A/33/38), that the estimates of expenditure in the proposed programme budget for the biennium 1980-1981 for programmes of activity in the economic, social and humanitarian sectors would be established at the programme element level. A special annex dealing with the formulation of the budget at the programme element level was included in the instructions for the preparation of 1980-1981 proposed programme budget. However, the application of this new system was limited to the economic, social and humanitarian sectors so that the required experience could be obtained on programmes most readily suited to the new system first and then spread to other programmes of activity. The specific instruments which were used for this purpose were the programme element information sheets and their associated implementation schedules which are more fully described in the report of the Secretary-General on the new system. ^{6/} The format of the two instruments is shown in the annex to that report.

4. This system of budget formulation permitted:

(a) The establishment and description at the operational level of the programme content of each subprogramme, showing the title of all the constituent programme elements, the related outputs and the dates of their completion or delivery;

(b) The determination in the case of each programme element of the resources required for its implementation;

(c) The establishment by this means of a direct link between the programme content of each subprogramme and the resource requirements in the proposed programme budget for the biennium 1980-1981;

(d) The creation of a more reliable information base by the programme managers in the preparation of their programme and budget submissions to the Office of Financial Services in the form of quantitative and qualitative analysis at the programme element level.

In the budget document itself this information appears in the form of resource estimates at the subprogramme level, in compliance with the requirements of General Assembly resolution 32/210, and detailed programme narratives at the programme element level.

5. With regard to the second stage, the instructions for the preparation of the 1980-1981 proposed programme budget referred programme managers to both the Secretary-General's report on the identification of activities that are completed.

^{6/} A/C.5/34/3.

obsolete, of marginal usefulness or ineffective 7/ and the related report of ACABQ. 8/ In particular the instructions quoted paragraph 17 of the Secretary-General's report which stated that programme managers should:

(a) Determine activities which duplicate other activities, whether mandated or not;

(b) Point to mandates which have been superseded by new ones with resulting changes in priorities; and

(c) Make clear how, in the absence of any provision for additional resources, the ability to carry out new programme activities depends on reduction or modification of other activities.

6. These measures were designed to produce, among other things, the following results for each subprogramme:

(a) Analytical information at the programme element level on the evolution of the subprogramme over the period covered by the current biennium (1978-1979) and the next biennium (1980-1981), programme elements being grouped in the following categories:

(i) Programme elements which will have been completed by the end of 1978-1979 biennium;

(ii) Those which are to be terminated as obsolete, ineffective or of marginal usefulness;

(iii) Those which are still in progress and will continue in 1980-1981;

(iv) Those programmed in the 1978-1979 budget but not commenced in the 1978-1979 biennium;

(v) Those programme elements which were commenced in 1978-1979 but not programmed in the 1978-1979 budget; and

(vi) New programme elements to commence in the 1980-1981 biennium.

(b) Information, in terms of professional work months only, on the actual use of resources in 1978, estimated use in 1979, and proposed use in 1980 and 1981 for each programme element grouped according to the categories described in (a) above, as well as on the number of professional work months not available because of vacancies;

(c) The identification of programme elements proposed for 1980-1981,

7/ A/C.5/33/13.

8/ A/33/7/Add.8.

representing approximately 10 per cent of the resources requested for each programme, to which the highest priority is assigned as well as those programme elements, representing an additional 10 per cent of resources, to which the lowest priority is assigned, as requested by General Assembly resolution 32/206.

7. This information was then aggregated for each subprogramme so that a complete picture of the redeployment of the professional work months over the two biennia was obtained. In the proposed programme budget document this information was used at the programme level in the narrative dealing with resource requirements in order to provide an analysis of the redeployment of Professional staff resources as a result of the completion and termination of programme elements and to identify specifically those programme elements which have been terminated as being of marginal usefulness.

8. The third stage (monitoring of programme performance in each division or section) is still to come. It will involve the adjustment of the internal work plans of every programme element in the economic and social sector to match actual appropriations and, subsequently, reporting on the progress of work for each programme element by division directors to departmental management and, in a summary form, to the central levels of management in the Secretariat and to the intergovernmental bodies concerned.

9. In addition to these measures, the Secretary-General sent a note dated 29 March 1979 to Member States through their permanent representatives to the United Nations. In it he informed them of the efforts made by him, in the process of formulation of the proposed programme budget for the biennium 1980-1981, to achieve budgetary restraint and economical utilization of the Organization's financial resources with the aim of ensuring that real budgetary growth would be as close as possible to zero. He stated that this could only be achieved through a critical re-evaluation of the activities of the Organization and substantial redeployment of resources. The Secretary-General also sought the assistance of Member States in this process of re-examination of programmes and more specifically their indications of the programmes and activities which, in the view of each Member Government, could be discontinued as obsolete, ineffective or of marginal usefulness. He cited, in this regard, their concomitant responsibilities under resolution 31/93.

10. In the replies received to date the permanent representatives have noted with appreciation the efforts being made by the Secretary-General to achieve restraint in his programme budget proposals for 1980-1981 biennium. They have also pointed out that, in accordance with paragraph 9 of General Assembly resolution 31/93, it is the responsibility of the Secretary-General to draw the attention of the competent intergovernmental bodies to activities that are obsolete, of marginal usefulness or ineffective, indicating the resources which could be released so that the bodies concerned may take the necessary action. Accordingly, they held the view that the recommendations of the Secretary-General must precede the exercise of judgement in this matter by Member States and assured the Secretary-General of their full co-operation in considering his recommendations on this subject.

II. Results, summarized at the programme level

11. The response by the departments to the task of identifying activities that are completed, of marginal usefulness or ineffective can be measured in two ways:

(a) By progress in their efforts to establish internal work programmes and procedures for reporting on programme implementation;

(b) By the specific results of this work in the process of the preparation of the programme budget proposals for the biennium 1980-1981, in particular the completions and terminations by the departments concerned in the exercise of their programme management function of critically reviewing their current activities.

12. With regard to progress in the establishment of internal work programmes, departments in the economic, and humanitarian sectors, three forms were required to complete as part of the budget submissions.

(a) Programme element information sheets giving for each programme element, its objectives, output, intended users and other qualitative information;

(b) Implementation schedules for each programme element giving estimates of resource use in the 1978-1979 biennium and showing the resources planned for 1980-1981 biennium;

(c) Summaries at the subprogramme level of Professional work months, grouped according to the categories listed in paragraph 6 (a) above and showing the evolution of the structure of the subprogramme over the two biennia.

13. The extent of compliance in the economic, social and humanitarian sector is shown in respect of each section of the budget in the following table:

Table 1. Completion of internal work programmes, by sections of the proposed programme budget for the biennium 1980-1981 (economic, social and humanitarian sectors only)

Budget section	Programme element information sheet	Implementation schedule	Summary at subprogramme level
6. Department of International Economic and Social Affairs	C	C	C
7. Department of Technical Co-operation for Development	n.a.	n.a.	n.a.
9. Transnational Corporations	C	C	C
10. Economic Commission for Europe	n.a.	n.a.	C
11. Economic and Social Commission for Asia and the Pacific	C	C	C
12. Economic Commission for Latin America	n.a.	n.a.	n.a.
13. Economic Commission for Africa	C	C	C
14. Economic Commission for Western Asia	C	C	C
15. United Nations Conference on Trade and Development	n.a.	n.a.	n.a.
16. International Trade Centre	n.a.	n.a.	n.a.
17. United Nations Industrial Development Organization	C	C	C
18. United Nations Environment Programme	n.a.	n.a.	n.a.
19. United Nations Centre for Human Settlements: Habitat	n.a.	n.a.	n.a.
20. International Drug Control	C	C	C
21. Office of the United Nations High Commissioner for Refugees	n.a.	n.a.	n.a.
22. Office of the United Nations Disaster Relief Co-ordinator	C	C	C
23. Human Rights	C	C	C

C - Complete coverage

n.a. - Not available

/...

14. In those cases where all three forms were submitted a comprehensive analysis of the use of Professional staff in terms of work months in the 1978-1979 biennium and their release as a result of completions, terminations and redeployment in the formulation of the budget proposals for the 1980-1981 biennium has been possible at the programme element level and, by aggregation, at the subprogramme and programme levels. In those cases where the coverage was incomplete a partial analysis has been undertaken whenever possible.

15. The results of this work, aggregated at the programme level, can be judged from the data appearing in the table that follows. Apart from the first column, showing the work months released as a result of completions and terminations of programme elements in 1978-1979, all figures are percentages. The percentage figures in columns 2 and 4-6 are given in the narratives on redeployment of Professional staff resources in the proposed programme budget for the biennium 1980-1981 (A/34/6) at the paragraphs cited in the last column.

16. The information in this table indicates:

(a) The extent of the resources, expressed in terms of Professional work months, which were released as a result of the completion and termination of programme elements in the biennium preceeding that of the budget being proposed; and

(b) The extent of redeployment of resources incorporated in the programme budget proposals, as well as the nature of the deployment of Professional resources involved in these proposals in terms of three categories of programme elements: those which are still in progress, those commenced in the prior biennium but not programmed in that biennium, and new programme elements.

Table 2. Analysis of redeployment of Professional staff over the biennia 1978-1979 and 1980-1981

(regular budget only)

Section and programme	Resources released as a result of completions and terminations in 1978-1979		Number of programme elements terminated	Resources by category of programme element in 1980-1981			Reference to paragraphs in the proposed programme budget for the biennium 1980-1981 <u>b/</u>
	Work months	Per cent <u>a/</u>		Still in progress	Commenced but not programmed	New programme elements	
				Per cent <u>a/</u>			
6. DIESA							
Development issues and policies	846	50	-	34	-	66	6.14
Ocean economics and technology	21	9	One	67	33	-	6.22; 6.23
Population	28	4	-	86	14	-	6.31
Science and technology	113	46	One	81	-	19	6.38; 6.39
Social development and humanitarian affairs	212	18	One	72	6	22	6.47; 6.48
Statistics	-	-	-	100	-	-	6.57
9. Transnational corporations							
Centre on Transnational Corporations	144	19	-	76	4	20	9.4
10. Economic Commission for Europe							
Food and agriculture	-	-	-	100	-	-	10.10; 10.11
Development issues and policies	466	72	-	55	23	22	10.16; 10.17
Environment	22	11	-	61	11	28	10.22
Human settlements	25	17	Two	74	6	20	10.27; 10.28; 10.29
Industrial development	-	-	-	100	-	-	10.34
International trade	134	56	Two	100	-	-	10.40; 10.41
Natural resources	168	54	Two	77	-	22	10.49; 10.50
Science and technology	18	19	-	90	10	-	10.55; 10.56
Statistics	18	5	-	94	-	6	10.61; 10.62
Transport	-	-	-	100	-	-	10.67; 10.68
11. Economic and Social Commission for Asia and the Pacific							
Food and agriculture	-	-	-	100	-	-	11.15; 11.16
Development issues and policies	-	-	-	100	-	-	11.21; 11.22
Environment	-	-	-	100	-	-	11.27
Human settlements	-	-	-	100	-	-	11.31
Industrial development	-	-	-	100	-	-	11.36
International trade	-	-	-	100	-	-	11.43; 11.44

Table 2 (continued)

Section and programme	Resources released as a result of completions and terminations in 1978-1979		Number of programme elements terminated	Resources by category of programme element in 1980-1981			Reference to paragraphs in the proposed programme budget for the biennium 1980-1981 b/
	Work months	Per cent a/		Still in progress	Commenced but not programmed	New programme elements	
				Per cent a/			
Natural resources and energy	-	-	-	80	-	20	11.50; 11.51
Population	-	-	-	100	-	-	11.58; 11.59
Science and technology	-	-	-	100	-	-	11.64
Statistics	-	-	-	100	-	-	11.69; 11.70
Transport I	-	-	-	100	-	-	11.76; 11.77
Transport II	-	-	-	100	-	-	11.83; 11.84
Social development	-	-	-	100	-	-	11.91; 11.92
13. Economic Commission for Africa							
Food and agriculture	-	-	-	100	-	-	
Development issues and policies	-	-	-	100	-	-	
Education, training, management and employment	-	-	-	100	-	-	
Human settlements	-	-	-	100	-	-	
Industrial development	-	-	-	100	-	-	
International trade	-	-	-	100	-	-	
Natural resources and energy	-	-	-	91	-	9	
Population	-	-	-	100	-	-	
Public administration and finance	-	-	-	100	-	-	
Science and technology	-	-	-	100	-	-	
Statistics	-	-	-	100	-	-	
Transport	-	-	-	100	-	-	
Social development and humanitarian affairs	-	-	-	100	-	-	
14. Economic Commission for Western Asia							
Food and agriculture	-	-	-	80	-	20	14.12
Development issues and policies	8	7	-	73	27	-	14.16; 14.17; 14.18
Human settlements	45	38	-	-	60	40	14.23
Industrial development	-	-	-	93	-	7	14.28; 14.29
International trade	6	12	-	31	25	44	14.33; 14.34

Table 2 (continued)

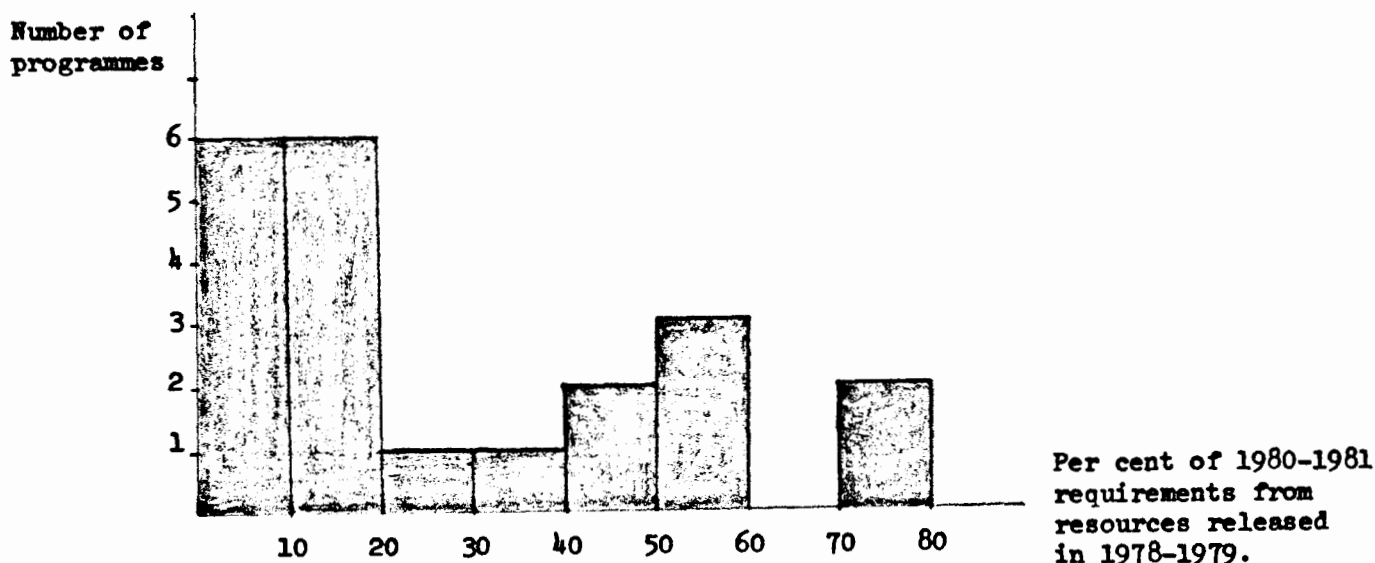
Section and programme	Resources released as a result of completions and terminations in 1978-1979		Number of programme elements terminated	Resources by category of programme element in 1980-1981			Reference to paragraphs in the proposed programme budget for the biennium 1980-1981 <u>b/</u>
	Work months	Per cent <u>a/</u>		Still in progress	Commenced but not programmed	New programme elements	
				Per cent <u>a/</u>			
Labour, management and employment	66	138	One	-	6	94	14.37; 14.38; 14.39
Natural resources	139	58	Five	31	2	67	14.44; 14.45; 14.46
Population	-	-	-	100	-	-	14.53
Public finance	2	4	One	62	-	38	14.57; 14.58
Science and technology	33	46	-	39	-	61	14.63; 14.64
Statistics	-	-	-	69	-	31	14.69; 14.70; 14.71
Transport	6	4	One	14	-	86	14.75; 14.76
Social development and humanitarian affairs	-	-	-	100	-	-	14.81; 14.83
17. United Nations Industrial Development Organization							
Policy co-ordination	-	-	-	93	7	-	17.28
Industrial studies and research	303	17	One	75	4	21	17.39; 17.40
Industrial operations	-	-	-	99	-	1	17.54
20. International Drug Control							
Division of Narcotic Drugs	144	26	-	100	-	-	20.11
International Narcotics Control Board Secretariat	-	-	-	100	-	-	20.19; 20.20
22. Office of the United Nations Disaster Relief Co-ordinator							
Relief Co-ordination, preparedness and prevention	-	-	-	100	-	-	
23. Human rights							
Division of Human Rights	-	-	-	100	-	-	23.14
Total	2 967		18				

a/ Of the Professional work-months requested in the proposed programme budget for the biennium 1980-1981.

b/ A/34/6.

17. The data in table 2 above show that the resources released as a result of completions and terminations are extensive. Measured as a percentage of the total Professional staff requirements requested for the biennium 1980-1981 the resources released vary between zero and 72 per cent. The distribution is as follows:

Redeployment of Professional staff resources



18. The data in table 2 also shows explicitly that new activities are being financed to a considerably extent out of resources released as a result of completion and discontinuation of old activities and that the proposed programme budget for the biennium 1980-1981 has been predicated on extensive redeployment of resources.

19. With regard to activities terminated as obsolete, of marginal usefulness or ineffective it can be seen from table 2 that 18 programme elements in 11 programmes in the economic and social sectors of the proposed programme budget have been in fact terminated. All these terminated programme elements were included in the programme budget for the biennium 1978-1979. The total number of programme elements in the economic, social and humanitarian sectors of the 1978-1979 budget was approximately 1,500, so that the 18 programme elements terminated represent over one per cent of the total number of programme elements in the current work programme of those sectors. Although the

number of such programme elements and the resources released are relatively modest, the Secretary-General believes that these first results in the initial phase of the introduction of the programme monitoring system are quite encouraging and the programme managers in particular have been more forthcoming than previously in making the value judgements needed on completions and terminations in the process of the formulation of their budget proposals. For the sake of convenience, a summary of the programme elements terminated as obsolete, of marginal usefulness or ineffective is given as an annex to this report.

20. In order to assist the programme managers in exercising objective judgements on terminations it may be desirable to work out a set of specific criteria that would provide a uniform frame of reference and would encourage the process. At this initial stage of the introduction and testing of the new system it has not been possible to provide such criteria. However, building on the present experience, the formulation of a preliminary set of criteria for application in the preparation of the 1982-1983 programme budget seems feasible. Such criteria could specify that any programme elements in the following categories, for example, should be presumed to be of marginal usefulness and should not be included in the programme budget submission:

(a) Programme elements which were found during an in-depth evaluation of a programme by the Committee for Programme and Co-ordination to be obsolete, of marginal usefulness or ineffective;

(b) Programme elements which were programmed as new elements in the budget for the previous biennium but not commenced in that biennium without any valid justification;

(c) Programme elements of low priority that require a level of resources for their implementation so large that, in order to accommodate them, high priority programme elements have to be restricted. A screening along these lines would sift out relatively simple cases of terminations so that a more intensive application of critical judgement could be concentrated on difficult cases. These criteria will be tested and elaborated as the programme and budget performance monitoring and reporting system is developed further.

III. Illustrations of results at the section, subprogramme and programme element levels

21. In the previous chapter, as in the budget document, information on completions and terminations and redeployment in general has been given as a summary at the programme level. The information on which this summary was based was collected at the programme element and subprogramme levels and, while it would be too voluminous to report comprehensively at these levels, an illustration at such a level of detail is of interest.

22. The narrative on redeployment in the proposed programme budget for the biennium 1980-1981 (A/34/6) provides the following statement on the redeployment of Professional staff in the Centre on Transnational Corporations:

A total of 144 Professional work-months is to be released as a result of the completion of programme elements in 1978-1979. This is equivalent to 19 per cent of the Professional work-months requested in the 1980-1981 budget proposals for this programme. Of the total Professional work-months requested in 1980-1981, approximately 76 per cent will be deployed to programme elements which are still in progress and which will continue in 1980-1981; 4 per cent to programme elements commenced but not programmed for in the 1978-1979 budget and 20 per cent to new programme elements to commence in 1980-1981. There were no programme elements terminated because of marginal usefulness in this programme. 9/

23. The estimates of Professional work-months from which these percentage figures were calculated are those shown in table 3.

Table 3. Centre on Transnational Corporations

Redeployment of Professional staff
(work-months; regular budget)

	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
1. Programme elements completed in 1978-1979	58	86	-	-
2. Programme elements to be terminated as obsolete, ineffective or of marginal usefulness	-	-	-	-
3. Programme elements still in progress in 1980-1981	244	292	300	302
4. Programme elements programmed for but not commenced in 1978-1979	-	-	-	-
5. Programme elements commenced in 1978-1979 but not programmed for in the 1978-1979 budget	19	10	14	14
6. New programme elements to commence in 1980-1981	-	-	82	80
7. Work-months not available because of vacancies	75	8	-	-
Programme total	<u>396</u>	<u>396</u>	<u>396</u>	<u>396</u>

9/ A/34/6, para. 9.4.

24. The figures in table 3 are aggregates, the sum of the component figures for the programme elements in each of the Centre's four subprogrammes and its executive direction and management. The data for subprogramme 1, Policy analysis, is shown in table 4. Apart from listing the programme elements to be completed by the end of 1979, table 4 shows much more clearly than more aggregated data the extent of redeployment of Professional staff from year to year. Almost all programme elements show significant variations in their use of Professional resources over the four-year period.

Table 4. Subprogramme 1: Policy analysis, Centre on Transnational Corporations

Redeployment of Professional staff
(work-months; regular budget)

	1978	1979	1980	1981
1. Programme elements completed in 1978-1979				
Transnational banking	7	8	-	-
Transnational corporations (TNCs) in insurance	4	4	-	-
Transnational corporations in tourism	5	10	-	-
TNCs in shipping	2	4	-	-
TNCs in consulting	2	6	-	-
TNCs in advertising and information media	4	6	-	-
TNCs in pharmaceuticals	4	2	-	-
TNCs in food and beverages	5	6	-	-
	33	46	-	-
2. Programme elements to be terminated as obsolete, ineffective or of marginal usefulness:				
None				
3. Programme elements still in progress in 1980-1981				
1.1 TNCs in world development	10	4	8	12
1.2 TNCs in extractive industries	4	10	8	6
1.3 TNCs linkages with domestic enterprise	3	10	8	8

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Table 4 (continued)

	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
1.4 TNCs impact on balance of payments	10	6	8	8
1.5 Issues in strengthening the negotiating capacity of host countries	4	8	14	14
1.6 TNCs impact on employment	-	4	4	4
1.7 Annotated bibliography (book reviews)	4	4	4	4
	<hr/> 39	<hr/> 46	<hr/> 54	<hr/> 56
4. Programme elements programmed for but not commenced in 1978-1979				
Identification of characteristics of TNCs (1.20) <u>a/</u>	-	-	-	-
Survey of research on TNCs (1.2) <u>a/</u>	-	-	-	-
5. Programme elements commenced in 1978-1979 but not programmed for in the 1978-1979 budget				
1.8 Social and political impact of TNCs (including TNCs in southern Africa) <u>b/</u>	8	10	14	14
Topics for future research (1.25) <u>b/</u>	3	-	-	-
TNCs and long-term development objectives of developing countries (1.26) <u>c/</u>	3	-	-	-
	<hr/> 14	<hr/> 10	<hr/> 14	<hr/> 14
6. New programme elements to commence in 1980-1981				
1.9 TNCs impact on competition	-	-	10	6
1.10 TNCs in manufacturing industries <u>d/</u>	-	-	16	18
1.11 TNCs and international financial transfers <u>d/</u>	-	-	8	8
	<hr/> -	<hr/> -	<hr/> 34	<hr/> 32
7. Work month not available because of vacancies	16	-	-	-
	<hr/> 16	<hr/> -	<hr/> -	<hr/> -
Subprogramme total	102	102	102	102

(Foot-notes on following page)

/...

(Foot-notes to table 4)

a/ Programme elements commenced under subprogramme 3.

b/ Programme elements commenced in accordance with the mandate of the fourth session of the Commission on Transnational Corporations (E/C.10/43).

c/ The programme element commenced at the request of ACC Task Force on Long-Term Development Objectives and of the Working Group of the Committee for Development Planning and in accordance with General Assembly resolution on the preparations for an international development strategy for the Third United Nations Development Decade (A/Res/33/193).

d/ Programme elements are in the MTP and planned for 1982-1983. In accordance with the recommendations of the Fourth Session of the Commission on Transnational Corporations (E/C.10/43, para. 60 and 64) they are to be commenced in 1980-1981.

25. It is clear from table 4 that the summary figures at the programme level in the budget document underestimate the true extent of Professional redeployment since they do not reveal this redeployment within each category of programme elements. In particular, the extent of the redeployment within the category "programme elements still in progress" at the end of 1979 is completely neglected by more aggregated presentation. And yet, as table 5 below shows, this redeployment is considerable.

Table 5. Redeployment of resources among programme elements in the "still in progress" category

Centre on Transnational Corporations

Subprogramme 1: Policy analysis

<u>Programme element</u>	<u>Allocation of Professional work months: per cent change, 1980-1981 over 1978-1979</u>
1.1 TNCs in world development	43
1.2 TNCs in extractive industries	-
1.3 TNCs linkages with domestic enterprise	(11)
1.4 TNCs impact on balance of payments	-
1.5 Issues in strengthening the negotiating capacity of host countries	233
1.6 TNCs impact on employment	100
1.7 Annotated bibliography (book reviews)	14

/...

26. At the other extreme there is also some redeployment between programmes within a section. This is shown for the Economic Commission for Western Asia in table 6 below:

Table 6. Economic Commission for Western Asia (Section 14):
Redeployment of resources among the programmes of
activity

(Professional work-months; regular budget)

Programmes of activity	Authorized 1978-1979	Actual deployment 1978-1979	Proposed 1980-1981	Actual minus authorized	Proposed minus authorized
1. Food and agriculture	144	144	144	--	--
2. Development issues	192	96	120	(96)	(72)
3. Human settlements	120	120	120	--	--
4. Industrial development	168	168	168	--	--
5. International trade	43	48	48	--	--
6. Labour management	--	66	48	66	48
7. Natural resources	264	240	240	(24)	(24)
8. Population	120	120	120	--	--
9. Public finance	--	46	48	46	48
10. Science and technology	48	70	72	22	24
11. Statistics	72	72	72	--	--
12. Transport	144	154	168	10	24
13. Social development and humanitarian affairs	96	72	72	(24)	(24)
Total	1 416	1 416	1 464	--	24

27. The proposed real growth of two posts in this section is only part of the movement of Professional staff among the programmes in the Economic Commission for Western Asia. A better measure of the changing allocation of resources would be the sum of this growth and the number of posts proposed for redeployment among programmes within the authorized level for 1978-1979. This measure would indicate a change in the allocation of five posts of which only two represent real growth. Another measure of change in allocations is the resources released by the completion and termination of programme elements in the current biennium as a percentage of the proposed level of resources in the next biennium. In the Economic Commission for Western Asia approximately 21 per cent of the total resource requirements proposed in the 1980-1981 budget will be funded by resources released from completions and terminations in 1978-1979. In the Economic Commission for Europe the level is 32 per cent.

IV. Further development of the programme monitoring system

28. Most of the difficulties encountered in the implementation of General Assembly resolution 3534 (XXX) and its subsequent reaffirmations are of a transitory nature and arise from the fact that the comprehensive system of programme performance monitoring which is being established is only in its first stage. Consequently some difficulties are of a general nature attributable to the gaps in the programming cycle and its instruments which the Secretary-General set out to bridge by the introduction of this system. These difficulties, if considered specifically in terms of the problem of identifying activities which are complete, obsolete, of marginal usefulness or ineffective in the context of the preparation of the 1980-1981 budget, can be categorized as either conceptual or procedural.

29. The conceptual difficulties are the following:

(a) There are still two different unintegrated programme formulation processes, one of which usually results in the submission of a programme of work to a functional commission, a regional commission or to the governing bodies of UNEP, UNCTAD and UNIDO, while the other results in the medium-term plan and the subsequent programme budget. ^{10/} The classification of activities in the programmes of work often differs, at the programme element level, from the classification used in the medium-term plan and the programme budget. In particular, in the case of many units the programme elements listed in the proposed programme budget group together several separate projects. This means that if some but not all of these projects are completed or terminated the programme element as a whole is listed as "still in progress". Such technical discrepancies will be corrected as the system is developed. It is probably desirable to insist on a definition of a programme element as an activity having one final output, with two or more outputs being permitted only where they are closely related. Insistence on compliance with such a definition, however, will significantly increase the number of programme elements in the budget thus increasing the length of the narrative portion of the budget document as well as the volume of documentation that underlies it;

(b) A considerable number of programme proposals are incorporated in financial implications statements that do not clearly identify the programme elements involved or their duration and dates of completion and that do not establish any precise relationship between an existing subprogramme or programme element and the proposed additional activity. The General Assembly, in resolution 31/93, intended to limit the number of such proposals to those which constitute "a pressing need of an unforeseeable nature" as determined by the General Assembly. But the General Assembly has never made such a specific determination so that, by default, all programme proposals approved by the General Assembly after the approval of the programme budget are implicitly made to fall into that exceptional category;

(c) The programme narrative in the budget for the biennium 1978-1979 was not sufficiently precise in all cases to give a frame of reference adequate for programme reporting on completions and terminations at the programme element level;

^{10/} See the evaluation report on the transnational corporations programme (E/AC.51/98, paras. 29-35) for a case study of this problem.

(d) Subprogrammes and programme elements often undergo extensive reformulation in the process of their implementation. 11/

This reformulation is often the response of a programme manager to his assessment that a programme element, as initially designed, is likely to be of marginal usefulness. This reformulation is presumably desirable in most cases since the programme elements are undertaken in the first place at the request of Member States. As a consequence, however, a report on activities of marginal usefulness will only become comprehensive when the programme monitoring system generates information that will permit reporting on significant reformulations of programme elements. The system being implemented can do this.

30. With regard to procedural difficulties table 1 indicates the departments and offices that were not able to submit the information required. In a number of other instances the information submitted had inherent inconsistencies which could not be eliminated at Headquarters in the time available. In part these difficulties stem from the fact that even without the new system budget preparation is an exacting task and reporting adds to the workload imposed by this task on departments and offices. However, to offset this, the new system leads to more reliable budgetary submissions and, consequently, a more solid framework for monitoring programme performance at the implementation stage.

31. Those departments and offices which have been able to get complete the first stage of the implementation of the new system will be in a position to make the adjustments necessary to bring their internal work plans into line with the approved programme budget. Those which have not been able to draft internal work plans during the preparation of the programme budget will have to deal with the two stages simultaneously.

11/ See the evaluation report on the ocean economics and technology programme (E/AC.91/Add.1, paras. 48-57 and, in particular, table 3) for examples of this problem.

Annex. List of programme elements terminated as obsolete, of marginal usefulness or ineffective during the preparation of the proposed programme budget for the biennium 1980-1981

Section and programme		Programme element terminated	Resources released in 1978-1979 budget work-months
6. DIESA			
Ocean economics and technology	1.4	Integrated mapping of information for marine environment and coastal management	1
Science and technology	1.1	Preparation to supplements to the World Plan of Action	3
Social development and humanitarian affairs	4.3	Policies and programmes related to women, population and development	10
10. Economic Commission for Europe			
Human settlements	5.10	Town planning, ecology and technological progress (1979)	1
	5.14	Integrated planning of areas for tourism and recreation (new programme element in the 1978-1979 budget)	
International trade	4.1	Facilitation of international trade: - Review of the programme of work using PERT technique	3
	4.5	International commercial arbitration: - Development of arbitration clauses	
Natural resources	2.3(vii)	Load factor of transport and distribution systems	-
	5.4	Methods for estimating the damage caused by water pollution as well as the economic benefits of recreation and amenities associated with fresh inland waters	-

Section and programme	Programme element terminated	Resources released in 1978-1979 budget work-months
14. Economic Commission for Western Asia		
Labour, management and employment	3.1 Monitoring of the implementation of the Plan of Action on Manpower and Employment - subject of a regional meeting	-
Natural resources	- A study on regional and interregional co-operation in the development of mineral resources	-
	- A study on the economic aspects of mineral resources exploitation and processing	-
	- Strengthening organizational and administrative institutions responsible for the development of mineral resources in the region	-
	- Identification and promotion of investment in mineral resources development at the national and regional levels	-
	- Assessment and support of ongoing and future activities and recommendations for regional policies and co-operation in the field of mineral resources development	-
Public finance	1.3 Follow-up report to workshop on the reform of government budgetary systems	2
Transport	- Number and title of the programme element terminated have not been identified	6
17. United Nations Industrial Development Organization		
Industrial studies	3.7 Industrial training systems for managerial and other senior personnel	6
	Total	32