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JOINT INSPECTION UNIT

United Nations Department of International
Economic and Social Affairs

Comments by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly his comments on the report of the Joint Inspection Unit on the Department of International Economic and Social Affairs of the United Nations Secretariat (A/38/334).

ANNEX

Comments By the Secretary-General

1. The report of the Joint Inspection Unit (JIU) entitled "United Nations Department of International Economic and Social Affairs" is one of a series of studies undertaken in response to proposals from the Committee for Programme and Co-ordination (CPC), the Economic and Social Council and the General Assembly in order to review the implementation of Assembly resolution 32/197 of 20 December 1977 on the restructuring of the economic and social sectors of the United Nations system. The report reviews the performance of the Department.

2. One of the main purposes of General Assembly resolution 32/197 was to cluster in a single organizational entity functions relating both to interdisciplinary research and analysis and cross-sectoral analysis of programmes and plans in the economic and social sectors of the United Nations system. These functions, as entrusted by the Secretary-General to the Department for International Economic and Social Affairs (DIESA) in keeping with the wishes of the General Assembly, and described in the Secretary-General's bulletin ST/SGB/161 of 28 March 1978, are:

(a) To prepare on a regular basis global economic and social surveys and projections to assist the General Assembly and the Economic and Social Council in the discharge of their responsibilities;

(b) To identify and bring to the attention of Governments emerging economic and social issues of international concern;

(c) To carry out intersectoral analyses and syntheses of development issues and to prepare appropriate recommendations in accordance with the requirements of the General Assembly and the Economic and Social Council;

(d) To undertake research and analysis in those economic and social sectors that do not fall within the purview of other United Nations units, organs, programmes and specialized agencies and which are necessary to support other functions of the Department;

(e) To conduct cross-sectoral analysis of programmes and plans in the economic and social sectors of the United Nations system.

3. The Secretary-General notes the general assessment by the Inspectors of the performance of the Department in fulfilment of these functions. He agrees with the Inspectors that the implementation of these functions should be strengthened and he welcomes their recognition that improvements have taken place and that the Department faces a number of constraints which are outside its control.

4. The Secretary-General notes that the report contains a number of specific and critical comments on several facets of the work of the Department. There are several with which he cannot agree. The Secretary-General appreciates that the Inspectors were confronted with a difficult task in assessing the activities of the Department. The Department is large; the substantive issues which it is called

pon to address are wide-ranging and often complex; the content of the work is, moreover, continuously altering in response to the changing concerns of the intergovernmental bodies; and intergovernmental bodies which the Department serves are themselves not small in number. It is difficult enough to make judgements which depend upon a general knowledge of organizational arrangements within the department; it is much harder to express positions on matters which necessitate familiarity with the substantive and technical content of the work. This is, for example, illustrated by the Inspectors' contention that few of the documents proposed by DIESA "have been sufficiently action-oriented with the result that discussions in the intergovernmental bodies are less practical and concrete than they might be". In putting forward such an assessment, the Inspectors have made broad judgements both about the substantive content of documents and about their relation to debates in intergovernmental bodies. The Secretary-General believes that such judgements should be based on an objective evaluation process as the inspectors themselves have suggested.

. The Secretary-General notes that the report on DIESA is one in a series by JIU to review progress made in the restructuring of the economic and social sectors of the United Nations system. The Secretary-General further notes that a final report is to be prepared in 1984 and, as the Inspectors observe, this report will address itself to a number of related complex issues and problems which have implications for the United Nations Secretariat or system. The Inspectors have listed some of these issues in the present report. These include: the extent to which integration and feedback is required between technical co-operation activities and related research and how best to achieve such integration; how to distinguish clearly between global or interdisciplinary research and analysis and sectoral research while providing feedback between them; how to ensure that the organizations of the United Nations system collaborate and profit mutually from each other's research and analysis and how to delimit the areas of responsibility of each organization to avoid excessive duplication of effort; how to strengthen cross-sectoral analysis as a basis for system-wide medium-term planning; what criteria are needed to determine how to allocate research and related work to the various entities of the United Nations; how best to encourage a more cohesive response by the organizations of the United Nations system in implementing the restructuring resolution, and how the role of the regional commissions can best be defined to ensure the most effective distribution of functions between the commissions and other parts of the United Nations system keeping in mind resource limitations.

. The Secretary-General considers that a thorough understanding of such pertinent issues and their relevance to the work of the organizational units established in connection with restructuring is essential if the JIU reports on the work of the substantive departments created in fulfilment of restructuring are not to be highly restrictive and of limited utility.

. In this connection, attention is invited to General Assembly resolution 37/442 on restructuring of the economic and social sectors of the United Nations system which, inter alia, requests the Secretary-General to review and report to the Assembly on the implementation of all aspects of General Assembly resolution 32/197 during the next consideration of the subject at the thirty-ninth session of the

General Assembly. In preparing his report to the Assembly, the Secretary-General will take into full account the reports of JIU on individual departments or offices and its final report on restructuring.

8. The Secretary-General also notes that, while recognizing the successful efforts of DIESA in organizing a more systematic relationship between its research and that of other entities, the Inspectors appreciate the inherent difficulties in co-ordinating research activities undertaken by various organizations. In his continuing efforts to rationalize the work of the Organization, the Secretary-General will explore every opportunity available to him, particularly through the joint planning and programming process associated with the preparation of future medium-term plans and to the extent possible through existing machinery of the Administrative Committee on Co-ordination (ACC), in order to achieve improved co-ordination and harmonization of research activities.

Specific comments

A. Functions and organization

Recommendation 1

9. The Secretary-General concurs that, given the need for promoting the effectiveness of the United Nations system as a whole, the question of terms of reference for the Department of International Economic and Social Affairs is necessarily linked to the issues referred to earlier in this document (para. 5).

10. The Secretary-General has carefully reviewed the Inspectors' proposal that three units of DIESA be considered for transfer to the Department of Technical Co-operation for Development (DTCD), i.e., the Energy Unit, the Fiscal and Financial Branch and the Mineral Resources Section of the Ocean Economics and Technology Branch.

11. Developments in the energy sector are important for evaluating the world economy in the short and long term. Analysis of trends in this area, therefore, constitutes an integral part of current economic analysis and of longer-term perspectives. The same methodology is used for energy research as in other areas of economic analysis and projections and requires close interaction by staff specialized in the use of these methods. In addition, it is noted that the Department, pursuant to section III of resolution 32/250, has been given responsibility for activities in the area of new and renewable sources of energy.

12. The work of DIESA in the fiscal and financial field consists essentially of action-oriented research. As regards international taxation, DIESA's research provides the basis for the work of expert groups in which tax officials from developing and developed countries meet for give-and-take discussions from which positions acceptable to both groups of countries emerge. Such positions have already been embodied in the United Nations Model Double Taxation Convention between Developed and Developing Countries, and work is currently under way with a view to working out proposals for international co-operation aimed at combatting

international tax evasion and avoidance. As regards the mobilization of personal savings, DIESA's work is designed to provide the basis for the formulation of policy suggestions that developing countries may find useful in their efforts to mobilize an increased volume of financing for development.

1. The research carried out by the mineral resources section of the Ocean Economics and Technology Branch is not linked to technical co-operation activities but rather to the analysis of interrelationships of the mineral sector and the world economy, particularly of the supply of mineral resources and the growth of the world economy. Moreover, it should be emphasized that studies on deep-sea minerals in a global context carried out by the Branch are highly relevant to the Department's ongoing research on economic perspectives.

1. The Secretary-General considers that global research undertaken in the fields of energy, fiscal and financial matters and minerals continues to be a function appropriately located in DIESA in keeping with the provisions of paragraph 62 of the annex to General Assembly resolution 32/197.

B. Research and analysis

1. Relations between research and policy issues

1. Consultations are held as a matter of course with relevant units both inside and outside the Department in the preparation of draft reports. Reports are reviewed by the Under-Secretary-General and his office with particular attention being given to those having policy implications. Many of the documents are prepared after inter-agency consultations have taken place, frequently through the machinery of ACC.

1. The Secretary-General considers that informal consultations should continue to be conducted on the substance of reports at the initiative of Programme Managers and that established clearance procedures should continue to be strictly observed.

2. Cross fertilization between research and technical co-operation

Recommendation 3

1. The Secretary-General concurs with the recommendation of the Inspectors. He agrees with the Inspectors that key issues in this regard are the extent to which integration and feedback are required between technical co-operation activities and global research.

1. The Secretary-General also concurs with the Inspectors that the means for achieving such integration through structural and procedural reforms need to be examined keeping in mind the recommendation of the General Assembly that these two types of activities should be divided among two separate organizational units. Policy reviews and consultations have taken place between DTCD and DIESA, including the reassignment of staff; the two departments are currently examining practical measures to develop further co-operation.

3. Co-ordination of development research

Recommendation 4

19. The Secretary-General notes that formal machinery and agreements exist to co-ordinate and harmonize the work programme of United Nations entities and organizations including the Committee for Programme and Co-ordination (CPC), ACC and its subsidiary bodies and procedures for programme planning and prior consultations with specialized agencies.

20. The Secretary-General has impressed upon all the units of the Secretariat the need for working relationships which could contribute to more effective co-ordination and planning in development research. The Secretary-General will continue to seek to improve co-ordination within the framework of a decentralized system.

4. Social issues

Recommendation 5

21. The Secretary-General notes that, in the light of information provided to the General Assembly on possible administrative, operative, financial and social implications, it was decided to include the Centre for Social Development and Humanitarian Affairs (CSDHA) among those units to be transferred to Vienna. The Secretary-General is not aware of any further development of a nature requiring the General Assembly to reconsider that decision.

22. It is the view of the Secretary-General that problems identified by the Inspectors in connection with the transfer of CSDHA to Vienna have arisen in the short-term partly as a result of several factors, e.g., the phased establishment of facilities at the United Nations Office at Vienna comparable to those found in other United Nations offices outside Headquarters; the shortage of permanent conference staff to service intergovernmental bodies meeting at Vienna, and the current financial restraints which limit travel and the introduction of improved communications. The Secretary-General is actively seeking to overcome these problems and in particular to improve the communications and consultation system between Vienna and New York and to expand United Nations administrative and conference services at the Vienna International Centre.

C. Programme planning and evaluation

Recommendation 6

23. The issues raised by the Inspectors with respect to organizational arrangements and relationships in the area of programme planning and evaluation are under active review by the Secretary-General. It should be noted in this regard that the steps recently initiated by the Secretary-General to streamline the management and administration of the Organization would include the treatment of the issue of programming and budgeting together with related structural and

ganizational issues. It is expected that the Secretary-General will inform the General Assembly in 1984 of his views in this respect in the context of his review of the administration and management of the Secretariat.

D. Implementation of the restructuring resolution
as regards the Statistical Office

Recommendation 7

. The Secretary-General has noted this recommendation, which will be taken into account in his report on restructuring to the General Assembly at its thirty-ninth session.