



Eighteenth session  
Agenda item 37

## UNITED NATIONS PROGRAMME OF TECHNICAL CO-OPERATION

## EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE

## ADMINISTRATIVE AND OPERATIONAL SERVICES COSTS FOR 1964

Budget estimates for the secretariat of the Technical  
Assistance Board for the year 1964Fourteenth report of the Advisory Committee on Administrative and Budgetary  
Questions to the General Assembly at its eighteenth sessionIntroduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the 1964 budget estimates of the Technical Assistance Board (TAB) secretariat, as submitted by the Executive Chairman of TAB in document E/TAC/131.
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 budget of the United Nations, the specialized agencies and the International Atomic Energy Agency (IAEA),<sup>1/</sup> 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.

General comments

3. The TAB estimates under review reflect the continuing growth of the Expanded Programme of Technical Assistance which, as in the case of other United Nations

<sup>1/</sup> For the Advisory Committee's report on the 1964 budget estimates of the United Nations, see Official Records of the General Assembly, Eighteenth Session, Supplement No. 7 (A/5507). The Committee will shortly report on the 1964 budgets of the specialized agencies and the IAEA and on the 1964 administrative budget of the Special Fund.

programmes of technical co-operation, results from an ever-increasing number of requests emanating from a growing community of nations. The planned expansion of activities is based on, and will be facilitated by, the encouraging results of the 1963 Pledging Conference which was held in October. The Advisory Committee has been informed that EPTA is expected to receive at least some \$51.2 million for 1964, as compared with \$50.5 million pledged for 1963, a minimum increase of \$700,000.

4. In its report of last year,<sup>2/</sup> the Advisory Committee noted that the continuing rise in the ratio of TAB secretariat expenses to total programme costs appeared to have been arrested (5.7 per cent in 1959, 6.0 per cent in 1960, 6.4 per cent in 1961, 7.9 per cent in 1962 and 7.5 per cent in 1963). The Committee notes that, for 1964, the upward trend has been resumed: on the basis of a total anticipated programme of some \$55 million, the estimated net requirements for the TAB secretariat to be met from EPTA resources in 1964 amount to \$4,414,000, or 8.0 per cent. Since it is accepted as desirable that voluntary funds should be utilized to the greatest possible extent for operational purposes, the Advisory Committee would express some concern at this turn of events and it hopes that the general objective of keeping administrative costs to a minimum will constantly be kept in mind and that every effort will be made to rationalize the over-all administrative pattern with a view to restricting all types of overhead costs.

5. Again this year, the bulk of the increase in expenditure relates to the field establishment, where costs are shared with the Special Fund as shown in the following table.

| Year                     | EPTA      |          | Special Fund |          | Total     |          |
|--------------------------|-----------|----------|--------------|----------|-----------|----------|
|                          | \$        | Per cent | \$           | Per cent | \$        | Per cent |
| 1959                     | 1,461,300 | 100      | -            | -        | 1,461,300 | 100      |
| 1960                     | 1,511,800 | 91       | 150,000      | 9        | 1,661,800 | 100      |
| 1961                     | 2,174,200 | 84       | 410,000      | 16       | 2,584,200 | 100      |
| 1962                     | 2,706,500 | 78       | 771,200      | 22       | 3,477,700 | 100      |
| 1963                     | 3,250,400 | 68       | 1,504,100    | 32       | 4,754,500 | 100      |
| 1964 (proposed)          | 3,438,600 | 55       | 2,814,000    | 45       | 6,252,600 | 100      |
| Increase 1963<br>to 1964 | 188,200   | 5.8      | 1,309,900    | 87.1     | 1,498,100 | 31.5     |

<sup>2/</sup> Official Records of the General Assembly, Seventeenth Session, Annexes, agenda items 12, 40, 41 and 78, document A/5275, para. 4.

6. The Advisory Committee notes that the level of the Special Fund subvention, which was raised by 95 per cent from 1962 to 1963, will be increased by a further 87 per cent in 1964 if the joint proposal of the Executive Chairman of TAB and the Managing Director of the Special Fund is approved. It would thus represent 45 per cent of the total costs of the joint field establishment. This is attributed to the fact that Special Fund operations have grown steadily since the inception of the Fund, while only a modest growth of the EPTA programme is envisaged in the foreseeable future. Indeed, it appears likely that, in financial terms, the level of the Special Fund operations will exceed that of EPTA by the end of 1964. Moreover, the special character of the duties assigned by the Special Fund to field offices has added to the complexity of their work.

7. Another factor in the heavier workload of the field offices is the growth in inter-agency and inter-programme co-operation and co-ordination at the country level. As is pointed out in paragraph 7 of the 1964 TAB estimates, the deliberations of the Administrative Committee on Co-ordination and the inter-governmental bodies concerned have led to increased reliance on the Resident Representative as a co-ordinator of assistance programmes, a source of administrative support for those programmes and a central source of information on the activities of the United Nations programmes of technical co-operation in the country to which he is accredited. The concentration of these responsibilities in the office of the Resident Representatives, the growth of the programmes they serve, and the increasing use which is being made of them for other tasks of varied nature and scope which can be performed more conveniently and more effectively in this way, have, in turn, resulted in requests for additional supporting staff.

8. In its fifteenth report to the General Assembly at its seventeenth session,<sup>3/</sup> the Advisory Committee expressed the view that the increasing workload borne by the field offices and the resulting additions to the manning table raised a number of questions which called for a close study. It accordingly suggested that a survey of the TAB field offices be undertaken, particular attention being paid to the three following matters:

(a) Economy of operation and possible savings, if not in the TAB establishment itself, then in the field budgets of other United Nations activities as a result of the services provided by TAB field offices;

<sup>3/</sup> Ibid., paras. 8 and 9.

(b) The incidence of costs as between the various programmes and the problem of how they might most equitably be shared;

(c) Adequacy of the financial support by host Governments, especially where such Governments are reluctant to agree to a regional regrouping of field offices currently located in their territory.

9. The Executive Chairman has included the results of this survey in his presentation of the 1964 budget estimates.

10. With regard to the results of the survey in relation to paragraph 8 (a) above, the Advisory Committee notes that whereas a number of agreed basic responsibilities have been assigned to Resident Representatives, the actual duties and responsibilities entrusted to them depend to a large extent upon the individual desires of the executing agencies, and that these desires may vary from country to country or even between programmes. The Committee would have hoped that agreement on the basic responsibilities would have resulted in a greater measure of rationalization than is at present apparent, in the interest of efficiency and economy in field operations. Whereas the Committee recognizes the special role which is played, and must continue to be played, by chiefs of mission and specialized staff in technical matters, it sees no reason why they should be surrounded by supporting services which duplicate those available in the office of the Resident Representative.

11. From the pattern of duties performed by one particular office, as set forth in annex II to the 1964 budget estimates, it is evident that several of the larger agencies avail themselves very little of the services of that office. The Committee was informed that the example given related to a city in which there was especially strong agency representation, and it might be useful to the Technical Assistance Committee to review similar information from other field offices. The fact remains, however, that some of the agencies have chosen to make use of the TAB office, and realize economies, whereas others have not.

12. Apart from the increased costs resulting from a multiplication of representational and administrative services, the Committee would also wish to place particular emphasis on the inconvenience caused thereby to Member Governments.

13. The Advisory Committee believes that it is possible to achieve a much greater degree of rationalization than now exists. It also believes that the office of

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Resident Representatives should be the focal point of such rationalization. The Committee notes that TAB is keeping the matter under review and it would welcome additional information in the course of 1964 on the progress being made.

14. With regard to the third subject of the survey (paragraph 8 (c) above), namely the adequacy of the financial support by host Governments, it would appear that, although the principle of financial participation of host Governments in field offices costs is laid down in Economic and Social Council resolution 222 (IX), the reflection of the principle in actual practice has by no means been consistent. While the Committee is gratified to note the increases in certain Governments' contributions during recent years, it is concerned to learn that the percentage of total field office costs borne by host Governments has declined steadily from 28.5 per cent in 1960 to 22.6 per cent in 1964. The Committee trusts that no effort will be spared to improve this situation.

#### Specific comments on the estimates for 1964

15. The total of the estimates proposed for 1964 (E/TAC/131) amounts to \$7,228,000 (net of staff assessment), an increase of \$1,551,600 (27 per cent) over the amount approved for 1963. As indicated in paragraph 6 above, an amount of \$2,814,000, or \$1,309,900 (87 per cent) more than in 1963, would be received as a subvention from the Special Fund<sup>4/</sup> towards the costs of TAB field offices in recognition of the services which those offices provide to the Special Fund.

#### Part I. Headquarters secretariat

16. The estimates under part I for the Headquarters secretariat amount to a total of \$930,400 on a net basis, representing an increase of \$53,500 over the provision for 1963 - \$32,900 under salaries and wages, \$12,600 under other departmental costs, \$8,000 under common staff costs. This corresponds to an establishment of 72 posts, representing an increase of one General Service post over the figure approved for 1963. The Advisory Committee notes that, following the suggestion it made last year,<sup>5/</sup> the Executive Chairman has decided to eliminate the P-4 post which

<sup>4/</sup> Subject to approval by the Governing Council of the Fund.

<sup>5/</sup> Official Records of the General Assembly, Seventeenth Session, Annexes, agenda items 12, 40, 41 and 78, document A/5275, para. 11.

was created in 1963 for a liaison officer with the newly-established economic unit in the Office of Public Information for work largely related to the United Nations Development Decade; it is now intended to replace this post by a third junior professional trainee post (P-2) also in the Office of the Executive Chairman. The only other adjustment in the manning table of the Headquarters secretariat of TAB is the proposed reclassification of the post of Head of the Joint Administration Division from D-1 to D-2.

17. The Advisory Committee was informed that this proposed reclassification was in recognition of an increase in the responsibilities assigned to the post. In this connexion, the Advisory Committee would call attention to its comments in paragraph 126 et seqq. of its fifth report<sup>6/</sup> which it believes are pertinent.

18. In addition to the 37 posts chargeable against EPTA funds, the Joint Administration Division includes a number of posts provided by the Special Fund. There are 8 such posts in 1963, including one P-1 and 7 General Service posts. It is now apparent that a significant strengthening of this division is required to cope with the growth in the workload arising from the increase in EPTA and Special Fund programmes and the consequent expansion of the joint field establishment. Accordingly, in agreement with the Managing Director of the Special Fund, it is proposed to add 12 posts (1 D-1, 1 P-3, and 10 General Service) to the staff of the Joint Administration Division in 1964, all to be provided by the Special Fund.

19. In spite of the application of revised standards of accommodation for travel of staff, the estimate under item (1), (Travel on Official Business) of chapter II (Other departmental costs and common services), remains at the 1963 level (\$37,000). This, as explained in the text of the budget estimates, is due to the fact that it is proposed to take advantage of the savings resulting from the application of lower travel standards to increase the volume of field office inspection travel. The Committee was informed that the management of 83 field offices, the need to maintain some general appreciation of their administration, and the solution of problems of programme co-ordination are tasks which must be done, in the main, through correspondence. This correspondence, however, needs

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6/ Ibid., Eighteenth Session, Supplement No. 7 (A/5507).

to be supplemented by a moderate number of visits. The administrations of both the Expanded Programme and the Special Fund have therefore tried to maintain a schedule under which each office is visited by a senior official at least once in every three years. In the past, it has not been possible to attain this objective, at any rate in respect of all offices, owing to the lack of staff which could be spared from Headquarters duties. In 1964 and subsequent years, it would be hoped to achieve this schedule, which the proposed strengthening of the Joint Administration Division should make possible.

#### Part II. Other joint administrative costs

20. The Advisory Committee has previously concurred<sup>7/</sup> in the treatment of the provision of \$45,000 under part II of the TAB budget estimates as a lump-sum subvention to the United Nations in partial recognition of financial and accounting services provided by the Organization to the Expanded Programme.

#### Part III. Joint field offices costs

21. The 1964 estimates under part III amount to \$6,252,600 (net of staff assessment), an increase of \$1,498,100, or about 32 per cent over the 1963 provision. This results from the expansion of the field programmes on which the Advisory Committee has commented in the first part of the present report (paragraphs 6 and 7 above). It should also be noted that these estimates are based in part on the results of the survey discussed in paragraphs 8 to 14 above. Specifically, the following proposals are made for 1964:

- (a) Establishment of 2 new offices,<sup>8/</sup> 3 sub-offices,<sup>9/</sup> and 2 correspondents,<sup>10/</sup> bringing the total of field offices to 83;
- (b) Creation of 75 international posts and 168 local posts.

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<sup>7/</sup> Ibid., Income section 2, paras. 342-346.

<sup>8/</sup> Congo (Leopoldville), Western Pacific Regional Office.

<sup>9/</sup> Dominican Republic, Nyasaland, and another location in Central Africa to be decided upon later. The last two sub-offices would come under the Central Africa Regional Office.

<sup>10/</sup> Kuwait and Yemen.

22. The manning table proposed for field offices in 1964 is compared below, by categories of staff, with that approved for 1963:

|                            | <u>1963</u>         | <u>1964</u>         |
|----------------------------|---------------------|---------------------|
| <u>International staff</u> |                     |                     |
| Director (D-2)             | 26                  | 25                  |
| Principal Officer (D-1)    | 26                  | 32                  |
| Professional (P-5 to P-1)  | 98                  | 144                 |
| General Service            | 51                  | 75                  |
| Sub-total                  | <u>201</u>          | <u>276</u>          |
| <u>Local staff</u>         |                     |                     |
| Professional               | 17                  | 16                  |
| General Service            | 908                 | 1,077               |
| Sub-total                  | <u>925</u>          | <u>1,093</u>        |
| Grand total                | <u><u>1,126</u></u> | <u><u>1,369</u></u> |

23. The increase in international staff comprises:

(a) Seven resident or regional representatives, some of whom will take over existing offices previously headed by correspondents or outposted deputy resident representatives;

(b) Fourteen deputy and 30 assistant resident representatives; this would make it possible to provide at least 2 internationally-recruited professional officers in 59 of the 83 offices. Practically all of the remaining offices are in the category of sub-offices, correspondents or liaison offices;

(c) Twenty-four international office assistants who are charged with administrative, secretarial and clerical duties at the General Service level. While it is stated in the budget text that such functions are performed, wherever practicable, by locally-recruited staff, the Advisory Committee would express the hope that no effort will be spared to increase the proportion of locally-recruited General Service personnel.



24. It may be recalled that, last year, the Advisory Committee commented on the proposed strengthening of the existing establishment of five "model offices". This proposal had its origin in a recommendation of the Administrative Committee on Co-ordination, to the effect that a small number of offices should be strengthened, on an experimental basis, beyond the point required for the performance of a minimum role, as a means of determining ways in which the Resident Representatives could give more effective services. It is therefore with interest that the Committee notes this year that, in the opinion of the Executive Chairman, the experimental strengthening of the offices in Colombia, Iran, Malaysia, Tanganyika and Tunisia has demonstrated conclusively that properly equipped joint field offices can enhance the effectiveness of international action. However, for financial and manpower reasons, the expansion proposed for 1964 does not attempt to bring the strength of each office up to the level approved for "model offices" in 1963.

25. The total estimated annual cost of the proposed field establishment has been reduced by \$241,800 to take account of turnover of staff and deferred recruitment. This deduction is said to be based on a deferment factor of 16.66 per cent for new international posts, in addition to the regular turnover deduction of 4 per cent applicable to the whole TAB establishment. In view of the fact that the percentage factors are the same as those applied to the 1963 estimates, the Advisory Committee inquired into the reasons for the apparent discrepancy in the absolute amount of the reduction, namely \$322,500 for 1963 and only \$241,800 for 1964. The Committee was informed that the main reason for this difference was that the Executive Chairman expected to enter the new year 1964 with a much lower proportion of vacant approved posts than was the case at the end of last year.

26. However, as a result of the discussion in the Advisory Committee, the Executive Chairman undertook to review the situation on the basis of the latest available information. The Advisory Committee understands that, following this review, the Executive Chairman believes that it would be possible to achieve a higher level of savings on the estimates in part III than was provided for in document E/TAC/131. In the judgement of the Executive Chairman, careful management of the manning table could make possible an additional reduction of the order of

\$100,000, without significant impairment of the staffing plans. Such savings would, of course, revert to the central fund of the Special Account of EPTA and thus be available for operational purposes. Considering the necessity of keeping administrative costs to a minimum, the Advisory Committee would draw the attention of the Technical Assistance Committee to the possibility of saving some \$100,000 under part III of the TAB budget estimates.

### Conclusion

27. The Advisory Committee notes that TAC will be invited to approve 1964 estimates for TAB in the amount of \$7,228,000 net and to agree on \$2,814,000 as the appropriate amount of the subvention to be received from the administrative budget of the Special Fund in 1964, in recognition of the services provided by TAB field offices for Special Fund activities. Aside from its general observations in paragraphs 3-14 above, the Advisory Committee has no specific comment to make on these total amounts, except to point out that TAC might wish to take account of the possibility of savings of \$100,000 in the estimate submitted for part III, as suggested in the preceding paragraph.

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