

**Trade and Development Board**

Fifty-sixth session

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Item 13 of the provisional agenda

**Reports of the Working Party on the Strategic  
Framework and the Programme Budget****Proposal to enhance the functioning of the  
Working Party****Introduction**

1. This paper addresses the request from the fifty-second (resumed) session of the Working Party on the Strategic Framework and Programme Budget for a comprehensive proposal to strengthen the Working Party, to be considered by the Trade and Development Board at its fifty-sixth session in 2009.

**I. Background and existing functions of the Working Party**

2. The Working Party on the Medium-term Plan and the Programme Budget was established following a decision of the Trade and Development at its 525<sup>th</sup> meeting on 20 October 1979. By virtue of that decision, and of Board decision 168 (XVIII) of 29 August 1978, the Working Party is a subsidiary organ of the Trade and Development Board.

3. In its first session, the Working Party reviewed the first annual report on the technical cooperation activities of UNCTAD and their financing, as well as the medium-term plan for 1980–1983. Subsequently, the Working Party has been convened to review the biennial programme plan and proposed programme budget of UNCTAD, issues regarding technical cooperation and its financing, and other relevant work determined by the Trade and Development Board.

4. In summary, to date, the Working Party has been performing the following functions:

(a) Providing intergovernmental oversight of UNCTAD programmes, including reviews of the proposed UNCTAD biennial programme plan (in the context of the United Nations Strategic Framework) and the proposed programme budget;

(b) Serving as a forum for member States on issues regarding the technical cooperation activities of UNCTAD and their financing;

(c) Considering the annual in-depth external evaluation of an UNCTAD programme and providing substantive guidance to the direction of the programmes based on the evaluation report; and

(d) Undertaking other relevant work as determined by the Trade and Development Board.

5. The secretariat conducted an examination of each key function of the Working Party in order to identify ways of enhancing its effectiveness. This assessment identified that the Working Party has in fact been functioning effectively in most aspects of its work. It has assisted in the work of the Trade and Development Board with regard to technical cooperation and other ad hoc oversight matters, as well as contributed to the finalization of UNCTAD's biennial programme plan prior to its consideration by the Committee for Programme and Coordination (CPC). Moreover, the Working Party has in fact been instrumental in strengthening UNCTAD's governance and accountability framework through its annual consideration of an in-depth evaluation of an UNCTAD programme of work. The only time the functioning of the Working Party has not been as effective is when it meets in a resumed session to review the draft proposed programme budget, largely because this exercise is not envisaged by General Assembly decisions governing the programme budget process.

6. To explain the point above, the Working Party has been performing an oversight function of UNCTAD's programme on behalf of the Trade and Development Board, which is a substantive subsidiary organ of the General Assembly, and reports to its Second Committee. The oversight role of the Board is hence of a substantive nature and concerns programmatic matters. The General Assembly, on the other hand, assigns the oversight role in budgetary and administrative matters exclusively to the Fifth Committee and the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

7. Within the context of the aforementioned oversight role assigned to the Trade and Development Board on programmatic matters, the contribution of the Working Party in reviewing the programmatic aspect of the biennial programme plan has always been recognized and valued. Indeed, the outcomes of the Working Party's review on UNCTAD's proposed programme of work have been included in the final versions of UNCTAD biennial programme plans and upheld by General Assembly bodies in most cases, as reflected in documents A/61/16 (SUPP) and A/63/16 (SUPP).<sup>1</sup> With regard to its review of UNCTAD's programme budget, however, the Working Party has recurrently been concerned that its review of the programme budget is hampered by inadequate information on resource allocations, and the perceived lack of resonance of their recommendations to the ACABQ and the Fifth Committee.

8. On this matter, the Office of the Controller and the Office of Legal Affairs have consistently advised that a review of the proposed programme budget by the Working Party contravenes General Assembly decisions governing this process. In particular, General Assembly resolution 45/248 B expressed "concern at the tendency of its substantive committees and other intergovernmental bodies to involve themselves in administrative and budgetary matters", which the same resolution reaffirms to be the responsibilities of the Fifth Committee. Further, the Office of the Controller considered that "any initiative to amend current practice can only come from the General Assembly itself".

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<sup>1</sup> For example, in A/61/16(SUPP) – Report of Committee for Programme and Coordination at its 46th session, paragraph 156 states, "The input made by the Working Party on the trade and development programmes, as reflected in annex III to conference room paper E/AC.51/2006/CRP.1, was supported."

9. In light of the issues highlighted here, this proposal to enhance the functioning of the Working Party is aimed at addressing these concerns, with a view to strengthening its effectiveness and efficiency.

## **II. Looking ahead – proposal to enhance the functioning of the Working Party**

10. Based on the assessment outlined in chapter I, the following section maps out the key functions of the Working Party and the scope of work that it should undertake within each function.

### **A. Functions of the Working Party**

11. The Working Party, as a subsidiary organ of the Trade and Development Board:

(a) Conducts an intergovernmental review of the proposed biennial programme plan and monitors its implementation;

(b) Serves as a forum for member States on issues regarding technical cooperation, including matters related to fund-raising, improved sustainability and predictability of extrabudgetary resources, and the effectiveness of UNCTAD technical assistance;

(c) Considers the annual in-depth external evaluation of an UNCTAD programme of work and provides substantive guidance to the direction of the programmes based on the evaluation report; and

(d) Undertakes other relevant work as determined by the Board (for example, following up on the implementation of communications, publications and technical cooperation policies/strategies).

12. The Working Party will submit to the Trade and Development Board for appropriate action reports on – and recommendations arising from – its work. The action taken by the Board on such reports and recommendations shall be brought to the attention, as appropriate, of the Secretary-General of UNCTAD, the Secretary-General of the United Nations, and other relevant United Nations organs and bodies.

### **B. Scope of work within each function**

#### **1. Review of the programmatic aspects of the biennial programme plan and proposed programme budget**

13. The Working Party discharges on behalf of the Trade and Development Board its oversight function on programme issues. In particular, the Working Party plays an important role in ensuring the faithful translation of UNCTAD's legislative mandates into its biennial programme plan, which upon approval by the General Assembly, is used as the framework for the proposed programme budget. Hence, while the Working Party does not directly discuss and decide on the resource allocation of the programme budget, it clearly influences its formulation by pronouncing on the objectives, expected accomplishments and indicators of achievement, performance measures and types and quantity of outputs to be produced in each area of work. Essentially, in this process, member States convey to the secretariat their recommendations, which shape the secretariat's budget proposals in terms of the appropriate resources needed to produce those outputs.

14. An important element of this programmatic oversight function that could be strengthened further is the Working Party's consideration of results attained in the course of implementation of UNCTAD's programme plan. The Secretary-General of the United Nations has identified results-based management as a priority under the reform proposals that relate to improving governance and oversight. Results-based management refers to the use of performance information to evaluate and improve programme performance and budgets. This approach places higher standards on programme design and planning so that the secretariat is working towards achieving results and not only towards delivery of outputs. Performance reports should be drawn up at the subprogramme level by the secretariat and discussed by member States at the winter sessions of the Working Party.

15. Accordingly, the programme budget process<sup>2</sup> and the Working Party's role are detailed as follows:

(a) The Working Party reviews the UNCTAD biennial programme plan in advance of its submission to the Office of the Programme Planning, Budget and Accounts (OPPBA) and subsequent review by the CPC of the official version issued by the United Nations Secretary-General. This will usually take place in the winter session of the Working Party in an even year;

(b) The CPC generally meets in June to consider the biennial programme plans of the United Nations departments, including UNCTAD;

(c) The conclusions and recommendations of the CPC regarding the biennial programme plan are then transmitted to the General Assembly for final approval in the last quarter of the year;

(d) The biennial programme plan for UNCTAD, as revised and approved by the General Assembly, serves as the framework for the formulation of the biennial programme budget;<sup>3</sup>

(e) The UNCTAD secretariat prepares its proposed programme budget submission in accordance with the instructions issued by the OPPBA. While no intergovernmental review is foreseen at this stage by the existing rules and regulations, the Working Party will review the programme narrative (i.e. the biennial programme plan approved by the CPC, which the Working Party has considered already, and in addition the performance measures and outputs for each subprogramme). Its conclusions and recommendations inform the UNCTAD Secretary-General's submission to the OPPBA for the United Nations Secretary-General's consideration and possible inclusion in the proposed United Nations programme budget. In order to fit seamlessly in the budgetary process, it would be necessary to incorporate the Working Party's comments in the secretariat's submission to the OPPBA by the established deadline, which normally falls between 15 November and 1 December;

(f) In accordance with the Financial Regulation 2.1,<sup>4</sup> the United Nations Secretary-General shall decide on the programme content and resource allocation of the proposed programme budget and submit it to the General Assembly for its consideration.

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<sup>2</sup> The programme budget process is governed, inter alia, by General Assembly resolutions 41/213, 42/211, 45/248 B and 58/269, as well as the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2000/8) as amended, and the Financial Regulation and Rules of the United Nations (ST/SGB/2003/7).

<sup>3</sup> General Assembly resolution 58/269 states that "the programme narratives of the programme budget fascicles shall be identical to the biennial programme plan".

<sup>4</sup> Financial Regulation and Rules of the United Nations (ST/SGB/2003/7).

His submission will be examined by the ACABQ, which will convey its conclusions and recommendations through the Fifth Committee to the General Assembly for final approval.

16. In summary, while the mandate to decide on the resource allocation lies at different stages of the process with the United Nations Secretary-General, the ACABQ and ultimately the General Assembly, in accordance with the applicable rules and regulations, the Working Party plays an important role in determining the programmatic content of the budget, particularly as regards the objectives, expected accomplishments, indicators of achievement and outputs, which constitute the basis for the subsequent allocation of resources.

## **2. Deliberations on technical cooperation activities, their financing and oversight**

17. The Working Party is also the forum in UNCTAD for consultations among member States on issues regarding technical cooperation. This role was reaffirmed by the Trade and Development Board in its decision 495 (LV) in 2008.

18. Traditionally, this annual session of the Working Party has centred on reviewing activities delivered and their financing. However, paragraph 220 of the Accra Accord called for the interaction between the secretariat, potential beneficiaries and donors on UNCTAD technical cooperation to be carried out in a more structured way. In particular, a more effective use of the Working Party would contribute to the implementation of paragraphs 215(c), 216 and 217 of the Accra Accord, which call for, respectively (a) tracking the demand for assistance and the availability of funding; (b) increased predictability, transparency and coherence in the planning and implementation of technical assistance programmes; and (c) improvement in fund-raising procedures.

19. In this context, the Working Party should review the overall financial requirements of UNCTAD technical assistance based on an assessment presented by the secretariat. This assessment takes into account (a) requests for technical assistance; (b) the absorptive capacity of the secretariat; (c) past performance and/or evaluations of the proposed theme/project; and (d) the cash balance of extrabudgetary resources available for the proposed theme/project. The large amount of UNCTAD extrabudgetary expenditures – over \$30 million annually in the past four years – well warrants and justifies this proposed approach. Moreover, consolidation of projects and departure from individual trust funds to thematic trust funds – requiring greater coordination between beneficiaries, donors and the secretariat – make the fuller utilization of the Working Party all the more necessary, to allow better convergence between requests for technical cooperation and available financial resources. Such an exercise should be rooted in the mandates given to UNCTAD, so that technical cooperation is a more effective instrument for the secretariat to deliver on its mandates.

## **3. Consideration of the annual in-depth external evaluation of an UNCTAD programme of work**

20. The Working Party also fulfils an important oversight function through its consideration each year of an in-depth external evaluation of an UNCTAD programme. Evaluations examine the impact of activities against their objectives, and propose practical recommendations to strengthen the programme. The evaluations are conducted by an independent team of evaluators who report their findings and recommendations for review and endorsement by the Working Party. Progress on the implementation of recommendations is reported to the Working Party in the years following the evaluation. This oversight role gives the Working Party the opportunity to (a) examine whether UNCTAD's programmes are moving in the right direction towards better meeting the needs of its beneficiaries; and (b) give further substantive guidance as appropriate.

#### **4. Serving as review body for emergent issues as determined by the Trade and Development Board**

21. The Working Party also undertakes other relevant work as determined by the Board. For example, Accra Accord paragraph 192 (g) and (h) calls on the Working Party to forward its conclusions and recommendations on the implementation of (a) UNCTAD's technical cooperation strategy; and (b) UNCTAD's communication strategy, including its publication policy and dissemination of publications, to ensure their effectiveness, updating as necessary.

22. To this end – with regard to UNCTAD's publications programme and policy, for instance – the Working Party will review and endorse UNCTAD's biennial publications programme according to established programme budget categories (recurrent, non-recurrent and technical publications) in order to ensure consistency, effectiveness and relevance. It will also review the implementation of UNCTAD's publications policy.

23. In particular, this work involves:

(a) In the autumn (resumed session) of the first year of each biennium, reviewing the draft list of publications, as part of its review of the draft work programme;

(b) At the start of each year, informally discussing the specific list of publications planned for the year;

(c) At the same time, considering a report of the Secretary-General of UNCTAD on the implementation of the publications policy; and

(d) Reviewing the results of the survey of publications issued during the previous year, as well as any in-depth readership survey of selected publications.

### **III. Calendar of meetings for the Working Party**

24. The frequency and duration of sessions of the Working Party shall be decided by the Trade and Development Board and will be reflected in the Calendar of Meetings and Conferences of the United Nations subject to approval by the General Assembly.

25. Based on the scope of work outlined in chapter II, the calendar of meetings will usually be as follows:

(a) Winter session of an even year – the Working Party:

(i) Reviews the UNCTAD biennial programme plan and the annual programme performance report of the secretariat;

(ii) Informally discusses the specific list of publications planned for the year;

(iii) Considers a report from the Secretary-General of UNCTAD on the implementation of the publications policy and the communications strategy;

(iv) Reviews the results of the survey of publications issued during the previous year;

(b) Autumn session of an even year – the Working Party:

(i) Discusses technical cooperation matters;

(ii) Considers the in-depth external evaluation of an UNCTAD programme of work;

(c) Autumn session (resumed) of an even year – the Working Party:

- (i) Reviews the draft programme narrative component of the proposed programme budget;
- (ii) Discusses a draft list of publications proposed for the following biennium as part of the review of the work programme;
- (d) Winter session of an odd year – the Working Party:
  - (i) Reviews the annual programme performance report of the secretariat;
  - (ii) Informally discusses the specific list of publications planned for the year;
  - (iii) Considers a report from the Secretary-General of UNCTAD on the implementation of the publications policy and the communications strategy;
  - (iv) Reviews the results of the survey of publications issued during the previous year;
- (e) Autumn session of an odd year – the Working Party:
  - (i) Discusses technical cooperation matters;
  - (ii) Considers the in-depth external evaluation of an UNCTAD programme of work.

26. Annex 1 presents this calendar of sessions and the work undertaken during each session in a tabular format.

#### **IV. Key conclusions and recommendations**

27. In light of the preceding discussion, this paper arrives at two key conclusions: (a) the current full name of the Working Party does not accurately capture the actual scope of work undertaken by this body; and (b) the Working Party is most effective when it is focussed on:

- (a) Providing substantive guidance on UNCTAD's work programme, in particular, ensuring that the UNCTAD biennial programme plan is consistent with the legislative mandates given by member States;
- (b) Reviewing programme performance in order to evaluate progress in the implementation of the decisions reflected in the biennial programme plan and the programme narrative of the budget;
- (c) Ensuring better coherence between requests for technical cooperation and available financial resources;
- (d) Providing substantive guidance on strengthening UNCTAD's programmes of work based on the conclusions and recommendations of in-depth external evaluations; and
- (e) Providing substantive oversight on priority matters to be determined by the Trade and Development Board, for example, following up on the implementation of communications and technical cooperation strategies, or the publications policy.

28. Accordingly, the following recommendations are directed at clarifying the focus of the Working Party as it discharges its functions as a subsidiary organ of the Trade and Development Board:

- (a) The Working Party should operate within the specific rules, regulations and guidelines applicable to administrative and budgetary matters within the United Nations Secretariat, as elaborated in this proposal, in order to preclude assumptions of interference

with the roles/mandates of other United Nations organs and bodies. In this context, the role of the Working Party would consist of ensuring that it contributes meaningful inputs to the work of the United Nations Secretariat and the General Assembly through its review of programmatic issues during the preparation of the biennial programme plan and the proposed programme budget, as well as in providing oversight to technical cooperation and other substantive areas of UNCTAD's work;

(b) With regard to its programmatic oversight function, the Working Party would improve its effectiveness and efficiency by concentrating on reviews of programme performance reports, the draft UNCTAD biennial programme plan, and the draft programme narrative of the proposed programme budget. Once the draft proposed budget has been submitted to the United Nations Headquarters, any subsequent concerns from delegates would be more effectively channelled through their colleagues in New York and, in particular, their representatives in the Fifth Committee of the General Assembly;

(c) With regard to its oversight of technical cooperation matters, the Working Party would improve its effectiveness and efficiency by serving as a forum that ensures better coherence between requests for technical cooperation and available financial resources. Such an exercise should be grounded in the mandates given to UNCTAD, so that technical cooperation is a more effective instrument for the secretariat to deliver on its mandates. In addition, the Working Party should continue to provide substantive guidance to enhance UNCTAD's programmes of work based on the recommendations arising from evaluation reports presented during the autumn session each year.

(d) The Working Party on the Strategic Framework and the Programme Budget should be renamed the "Working Party on Programme Review" to more accurately reflect its scope of responsibilities.



### Annex. Calendar of sessions and the work undertaken during each session

Relevant session	Functions	Scope of work	
For example, in 2010	Winter session – usually January (even year)	Programmatic – Review the programmatic aspect of the programme budget	Provide intergovernmental oversight of UNCTAD programmes, including review of the UNCTAD section of the biennial programme plan, and UNCTAD’s programme performance report.
		Other issues – (Follow up on publications policy and communications strategy)	Informally discuss the specific list of publications planned for the year; consider a report from the secretary-general of UNCTAD on the implementation of the publications policy and the communications strategy; review the results of the survey of publications issued during the previous year.
	Autumn session – usually September (even year)	Technical cooperation – Deliberate on technical cooperation activities, their financing and oversight	Serve as a forum for member States on issues regarding technical cooperation, including matters related to the financial structure, improved sustainability and predictability of such resources, and the effectiveness of UNCTAD technical assistance.
		Evaluation – Annual in-depth external evaluation of an UNCTAD programme	Consider the annual in-depth external evaluation of an UNCTAD programme and provide substantive guidance to the direction of the programmes based on the evaluation report.
	Autumn session (resumed) – early to mid-November (even year)	Programmatic – Review the programmatic aspect of the programme budget	Provide intergovernmental oversight of UNCTAD programmes, including review of the programme narrative component of the programme budget.
		Other issues – (Follow up on publications policy)	Review the draft list of publications as part of the review of the work programme.
For example, in 2011	Winter session – usually January (odd year)	Programmatic	Review UNCTAD’s programme performance report.
		Other issues – (Follow up on publications policy and communications strategy)	Informally discuss the specific list of publications planned for the year; consider a report from the secretary-general of UNCTAD on the implementation of the publications policy and the communications strategy; review the results of the survey of publications issued during the previous year.
	Autumn session – usually September (odd year)	Technical cooperation – Deliberate on technical cooperation activities, their financing and oversight	Serve as a forum for member States on issues regarding technical cooperation, including matters related to the financial structure, improved sustainability and predictability of such resources, and the effectiveness of UNCTAD technical assistance.
		Evaluation – Annual in-depth external evaluation of an UNCTAD programme	Considers the annual in-depth external evaluation of an UNCTAD programme and provides substantive guidance to the direction of the programmes based on the evaluation report.
As determined by the Trade and Development Board	Other issues	Undertake other relevant work as determined by the Trade and Development Board, including following up on the implementation of communications, publications and technical cooperation policies/strategies.	