



Advisory Committee on Administrative and Budgetary Questions

**First report on the proposed programme
budget for the biennium 2004-2005**

**General Assembly
Official Records
Fifty-eighth Session
Supplement No. 7 (A/58/7)**

Part XIII Development Account

Section 35 Development Account

Proposal submitted by the Secretary-General	\$13,065,000
Revised appropriation for 2002-2003	\$13,065,000

Comments and recommendations

XIII.1 The proposal submitted by the Secretary-General would bring the amount placed in the Development Account since its inception to \$52.3 million. The Advisory Committee was informed that expenditure performance for 43 projects since the inception of the Development Account was as follows: in the first allocation, for seven projects, 77.8 per cent of the allocation was expended and one project was completed; in the second allocation, for 16 projects, 75.6 per cent was expended and one project was completed; and in the third allocation, for 20 projects, 33.4 per cent was expended and no projects had as yet been completed.

XIII.2 The fourth allocation is for 23 projects budgeted for 2004-2005, which are devoted mainly to capacity-building. The Advisory Committee notes that activities under each project would take place in various countries and continents (see A/58/6 (Sect. 35), annex, part II).

XIII.3 In the opinion of the Advisory Committee, there is a risk of undertaking too many small projects that are spread very thinly. This approach would make it very difficult to measure impact in view of the small amount of resources involved for each project. Since impact, achieved or potential, is not apparent in section 35 of the proposed programme budget, it is essential to define, from the very beginning, the type of capacity-building that would be promoted.

XIII.4 A more focused approach to project formulation and implementation would also achieve greater benefits. For example, if a project were to concentrate on promoting Internet connectivity in a particular geographical area with several least developed countries, that could be far more beneficial to a wider group of beneficiaries than spreading small sums across continents.

XIII.5 The Advisory Committee also observes that, in order to optimize the use of Development Account resources, greater effort should be made to use knowledge that is already available elsewhere before decisions are made to conduct studies and surveys.

XIII.6 As indicated in paragraph XIII.1 above, at the time the Advisory Committee considered this section, only two projects had been completed. The Committee understands that only one of them had been the subject of detailed evaluation. The Committee was informed that the results of this evaluation and lessons learned would be submitted to the General Assembly at its fifty-eighth session. **In the opinion of the Committee, it is too early to form a judgement about the impact and viability of the projects that have been completed and those that are under implementation.**

XIII.7 From the testimony of representatives of the Secretary-General, the Advisory Committee concluded that there was no satisfactory capacity available to the Department of Economic and Social Affairs for overseeing and monitoring the 66 projects that have been undertaken and planned since the inception of the Account (see paras. XIII.1 and XIII.2 above). The Department relies on project implementing partners and offices away from Headquarters to perform oversight and monitoring.

XIII.8 The Advisory Committee requests that, together with the evaluation reports to be submitted to the General Assembly, a comprehensive statement be provided on how development projects have complied with the guidelines set by the Assembly in its resolutions on the Development Account. The statement should also include overhead costs, what has been spent and an updated forecast of the date of completion of the projects. The statement could be included as part of the financial and programme performance report called for in chapter I above.

XIII.9 The Advisory Committee notes that an attempt is made in part I of the annex to section 35 to differentiate between the role of the Development Account and section 23, Regular programme of technical cooperation. The explanation in the annex is not very clear. The representatives of the Secretary-General further clarified that the advisory services delivered under section 23 were based on requests from recipient countries. The United Nations and participating organizations, on the other hand, formulate development projects to implement development programmes and activities.

XIII.10 In his report on the delivery of advisory services (A/57/363), the Secretary-General attempted to respond to the request of the General Assembly contained in paragraph 94 of its resolution 56/253. The Advisory Committee stated that the report of the Secretary-General did not specifically address the request of the Assembly and indicated its intention to follow up on this matter in the context of the proposed programme budget for 2004-2005 (A/57/7/Add.3, para. 11).

XIII.11 As part of its commentary on section 23 above, the Advisory Committee is recommending that the Development Account, now in section 35, and the regular programme of technical cooperation, now in section 23, be combined in future into one section with separate parts (see para. V.91 above). The Committee has indicated that such a measure would facilitate programme performance reporting; it should also assist in the examination of the Development Account and the role of advisory services.

B. Estimates of income

Income section 1

Income from staff assessment

Proposal submitted by the Secretary-General	\$380,712,500
Approved estimate for 2002-2003	\$373,048,100