

DOCUMENT RESUME

ED 179 477

SO 012 091

TITLE UNESCO Programing and Budgeting Need Greater U.S. Attention. Report to the Congress by the Comptroller General.

INSTITUTION General Accounting Office, Washington, D.C.

REPORT NO ID-79-12

PUB DATE 14 Sep 79

NOTE 55p.; Appendix II may not reproduce clearly

AVAILABLE FROM U.S. General Accounting Office, Distribution Section, Room 1518, 441 G Street, NW., Washington, D.C. 20548 (single copies, free)

EDRS PRICE MF01/PC03 Plus Postage.

DESCRIPTORS Cost Effectiveness; *International Organizations; *International Programs; Needs; Objectives; *Participation; *Program Budgeting; *Program Planning

IDENTIFIERS *UNESCO

ABSTRACT

The participation of the United States in the programing and budgeting process of UNESCO (United Nations Educational, Scientific, and Cultural Organization) is reported. The document is presented in four chapters. Chapter I, the introduction, traces the growth of the United Nations system, UNESCO background, U.S. representation to UNESCO, and efforts to improve the effectiveness of U.S. participation. Chapter II examines U.S. participation in UNESCO relative to policy objectives, priorities, and effectiveness of representation. Chapters III and IV describe UNESCO program planning and budgeting and the role of the United States in that process. Conclusions concerning U.S. participation in UNESCO are that procedures for establishing current explicit statements of U.S. program objectives are inadequate; development of a new policy analysis process is lagging; performance of some U.S. representatives at UNESCO forums is reduced because of inadequate preparation time and inexperience; and domestic agencies and professional constituencies concerned with UNESCO are not involved early or deeply enough. Concerning the UNESCO program and budget, the report concludes that the usefulness of the goal/cost approach was diminished because the plan addressed only direct program costs, descriptions of program objectives were vague, and opportunities for effective input from member governments were limited and had little or no effect on the final documents. Recommendations are for the United States to participate earlier and more actively in the development of the UNESCO plan and budget. (KC)

* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *

NOV 1979

ED 179477

BY THE COMPTROLLER GENERAL

Report To The Congress

OF THE UNITED STATES

UNESCO Programing And Budgeting Need Greater U.S. Attention

U S DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION

Numerous GAO reports to the Congress have stressed the need for increased U.S. participation in U.N. programs and improved management of U.N. agencies.

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

To determine the extent of these improvements and whether the United States has benefited from increased participation in this process--GAO examines in this report the experience of the United States in UNESCO (the United Nations Educational, Scientific and Cultural Organization), one of the most diversified and fastest growing of the U.N. group.

Some improvement is becoming evident, but much remains to be done by the Department of State.

50 012 191



2

ID-79 12
SEPTEMBER 14, 1979



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-168767

To the President of the Senate and the
Speaker of the House of Representatives

This report discusses U.S. participation in the pro-
graming and budgeting processes of the United Nations
Educational, Scientific and Cultural Organization.

Copies of this report are being sent to the Director,
Office of Management and Budget; the Secretary of State;
and to the appropriate congressional committees.

A handwritten signature in black ink, reading "James A. Atchafalua".

Comptroller General
of the United States

D I G E S T

If the United States and member governments participate more fully in planning and management activities of U.N. affiliated agencies, progressive results will be measurably increased.

Recent emphasis by these international organizations on medium-term program planning, standardization of program and budget presentations, and assessment of results should make possible more effective coordination and strengthened financial discipline in planning and carrying out their programs. This report recommends ways for the United States to participate more in programing and budgeting in UNESCO.

To permit a stronger U.S. participative role in these activities, the Secretary of State should establish a program policy which includes

- developing long-range strategies based on expressions of broad-based interest and support, consistent with overall U.S. foreign policy objectives;
- balancing new U.S. program initiatives against the concern that their costs would increase the budget;
- gearing planning so that proposals are submitted early enough to receive serious Secretariat staff attention when the plan and budget are drafted;
- paying more attention to identifying questionable projects and promoting those likely to have more impact but which do not overlap the work of other agencies;

- positioning a budget expert to assist U.S. resident staffs at UNESCO and other European-based U.N. agencies in defining the funds and other resources needed to implement their proposed systems; and
- appointing General Conference delegates with no less than 6 months notice to allow them adequate time to prepare for their assignments.

In addition, the Secretary should take other steps aimed at improving UNESCO planning and budgeting documents and the ability of Agency governing bodies to exercise their advisory and decisionmaking functions. (See p. 21.)

A State Department spokesman regards the report to be fair, accurate, and constructive in assisting U.S. officials to strengthen their performance in UNESCO.

U.S. PARTICIPATION IN UNESCO

U.S. efforts in UNESCO in recent years have been directed more toward political concerns than with Agency programs. As UNESCO programs have become increasingly attentive to the problems of the developing countries, the United States has proposed fewer initiatives and stressed better use of the existing agency budget resources. The United States, however, has not adopted to best advantage the administrative machinery established to coordinate and oversee agency activities. For example,

- procedures for establishing current and explicit statements of U.S. program objectives and priorities were inadequate;
- development of a new policy analysis and resources management process designed to improve U.S. effectiveness in UNESCO was lagging;
- performance of some U.S. representatives at UNESCO forums was reduced because of inadequate preparation time and inexperience; and

--domestic agencies and professional constituencies concerned with the UNESCO program were not involved deeply or early enough in the agency planning process to allow American interests to be clearly defined and promoted.

UNESCO PROGRAM AND BUDGET

UNESCO is one of the fastest growing U.N. agencies despite the adoption of moderate program growth rates in its medium-term plan covering 1977-82. Although the budget resources allocated to individual program objectives are in line with specific plan targets projecting an overall 6-percent biennial growth rate, additional offsets for inflation, currency depreciation, increased administrative costs and other non-program expenditures not addressed in the plan have combined to produce a much higher rate of budget growth. The approved budget of \$303 million for 1979-80 represents a 35-percent increase over the prior biennium and more than a threefold rise since 1971-72.

The UNESCO medium-term plan and program budget--based on a unified and integrated goal/cost approach--represent a constructive step toward enabling member governments to assess the merits of proposed agency expenditures over a longer term. Their usefulness, however, was diminished by the fact that

--the plan addressed only direct program costs, accounting for about half of the total assessed budget costs;

--descriptions of program objectives, including strategies and milestones, were vague and lacked the specificity needed for effective measurement and assessment;

--though member governments and other agencies were consulted before the draft plan and budget documents were adopted, its scheduling limited the opportunities for effective input; and

--such consultations appeared to have little or no effect on the final documents. A frequently mentioned criticism was the allocation of resources over too many projects--including those in other agencies' spheres of responsibility--reducing program effectiveness.

REPORTING OF PROGRAM RESULTS

UNESCO management reporting of program results does not allow member states to determine if objectives were achieved or are capable of being reached within the set time or cost limitations. Although such reporting mechanisms have been established, their time phasing and the lack of specific targets or criteria against which to measure progress have rendered them virtually valueless for assessment purposes. At United States urging, increased emphasis is being put on program evaluation and on accomplishing more with existing resources, but progress to date is minimal.

U.S. REVIEW OF UNESCO PROGRAMING AND BUDGETING

In view of the difficulty of securing timely and substantive draft planning data and affecting appropriate changes, GAO noted an overall need for the United States to participate earlier and more actively in the development of the UNESCO program plan and budget. U.S. efforts with regard to influencing the direction and costs of UNESCO programs were given little current attention and support.

In addition, GAO observed that the officials responsible for representing U.S. interest in UNESCO were handicapped by an overriding concern with political matters, by an inadequate system for identifying program goals and priorities, and a shortage of qualified staff to analyze the budget and emerging new issue areas.

Although GAO noted some methodological improvements in how the UNESCO program and budget documents were prepared, they have not provided a more satisfactory basis for assessing program activities and costs; nor has the agency's budget growth slowed perceptibly. The problem appears to be in the substance rather than the style, of management planning and reporting.

If the planning and budgeting documents were more explicit and the member governments participated more fully in their origination, GAO believes program results would be measurably improved.

C o n t e n t s

	<u>Page</u>
DIGEST	1
CHAPTER	
1 INTRODUCTION	1
Growth of the U.N. system	1
Cost of U.S. participation	3
Efforts to improve effectiveness of U.S. participation	3
UNESCO background	4
U.S. representation to UNESCO	4
Scope of review	5
2 U.S. PARTICIPATION IN UNESCO	7
U.S. policy objectives and priorities	7
Effectiveness of U.S. representation	10
General Conference	10
Executive board	12
Intergovernmental councils	12
3 UNESCO PROGRAM PLANNING AND BUDGETING	14
The medium-term plan	14
Style and content	15
Need for broader coverage and clarity	16
Need for closer interagency coordination	18
The next medium-term plan	19
The program budget	19
Unique characteristics	20
Relationship to the medium-term plan	21
Role of consultation in drafting the budget	21
Description and nature of program actions	23
Basis of program actions	24
Accountability for program results	25
Conclusions	26
Recommendations	27
4 U.S. ROLE IN UNESCO PROGRAM PLANNING AND BUDGETING	29
The U.S. Permanent Representative	30
Programming	30
Budgeting and management	31
Geneva group	34

CHAPTER

Page

4

U.S. backstopping
Program review
Other concerns
Conclusions
Recommendations
Agency comments

35
35
37
39
40
41

APPENDIX

I

Letter dated March 9, 1979, from Assistant
Secretary of State for International
Organization Affairs

42

II

Medium-term plan, synoptic table:
problems, objectives and resource
indications (1977-1982).

43

ABBREVIATIONS

GAO

General Accounting Office

IAEA

International Atomic Energy Agency

U.N.

United Nations

UNESCO

United Nations Educational, Scientific
and Cultural Organization

UNICEF

United Nations Children's Fund

CHAPTER 1

INTRODUCTION

Tremendous increases in United Nations (U.N.) activities have occurred due to technological, social, and political changes in the world. When the United Nations was established in 1945, peace and security were regarded as primary goals and the responsibility of this organization. Progress toward human rights and economic and social advancements have also resulted from U.N. efforts. As decolonization has proceeded since 1945, however, membership in the United Nations has expanded considerably, and economic and social development have been emphasized more.

The world has grown increasingly complex. Environment, food, health, communication, and transportation problems now require that national governments devote more time, energy, and resources to these topics. The increased interdependency of nations and the application of modern technology across broad social planes have resulted in vastly expanded programs and in a need for improved mechanisms to monitor and coordinate these activities.

GROWTH OF THE U.N. SYSTEM

U.N. agency and program expansion has occurred during a period of rapidly rising prices, resulting in dramatically increased budgets--particularly in recent years. As a result, the assessed and voluntary contributions of the United States and other major contributing countries have risen sharply. Assessed budgets of the United Nations, its specialized agencies, and the International Atomic Energy Agency (IAEA) rose from \$359 million in 1970 to \$1,062 million in 1978. Additional voluntary contributions raised total funds available to the U.N. system (excluding the World Bank) to an estimated \$2.5 billion in 1978. According to the U.N. Administrative Committee on Coordination, regular budgets are growing at a much faster pace than voluntary contributions (30 percent versus 17 percent during the 2-year period 1975-77).

The budget growth of the specialized agencies and IAEA--associated with, but administratively independent from, the United Nations--has been particularly striking. Specialized agency budgets have soared from \$200 million in 1970 to \$645 million in 1978. Two new agencies (the World Intellectual Property Organization and the International Fund for Agricultural Development) were formed during this period, and budget increases of 300 percent or more among the others were common.

The budgets of some agencies, including the International Telecommunication Union and IAEA, more than quadrupled. U.N. officials contend that world inflation and currency fluctuations have accounted for most increases, that these fluctuations are uncontrollable, and that the rates of real budget growth have actually been far more modest than the increases stated in current dollars would seem to indicate. Agency budgets presented to member countries for approval appear to confirm this contention.

Nevertheless, specialized agency budgets are growing faster than the system as a whole. In the proposed 1978-79 program budget, the U.N. Secretary-General calculated a real growth rate of 2.2 percent, for example, while two of the larger specialized agencies--the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Food and Agriculture Organization--proposed comparable program growth rates of 7.0 and 6.9 percent, respectively. At the same time that specialized agency program resources have registered such real growth, the portion of their budgets related to overhead and administration have also increased. In addition, there is a trend toward increased funding of technical assistance programs in the assessed budgets.

These growth patterns reflect some characteristic problems currently faced by international organizations. Member nations frequently exert political and competitive pressures on agency management to increase project and staff representation as symbols of power and prestige though these actions may be detrimental to program effectiveness. The establishment of new entities to deal with environment, drug abuse, population, and other issues have created proprietary conflicts among organizations in the absence of clear lines of demarcation. Finally, the Third World nations, which represent the largest voting bloc and stand to benefit the most from program expansion in relationship to capital outlay, are less concerned with the budget and bureaucratic growth of the United Nations and its specialized agencies than the major developed countries who are the principal donors. The 10 largest contributors provided 76 percent of the budget, and more than half the member states combined for less than 1 percent.

An important reason for the rapid growth of UNESCO is its increased orientation toward the needs and concerns of developing countries. Although UNESCO technical assistance programs continue to be financed mainly from voluntary funding sources, a portion of these programs are funded in the regular budget. The nature and volume of such funds devoted

to development assistance, however, is a matter of viewpoint. U.S. officials exclude grants and certain education services in estimating that technical assistance programs make up 3 to 4 percent of the UNESCO regularly funded budget. Moreover, officials argue that direct services and assistance to member states are authorized by the UNESCO constitution. On the other hand, agency officials reported to its members in late 1978 that 25 percent of the regular budget supports national development programs, including consultation, training, pilot projects, and institutional aid, and that absorption of overhead costs for operating projects financed extra budgetary resources.

COST OF U.S. PARTICIPATION

A consequence of the rise in the budgets of the United Nations and its specialized agencies has been the proportionate increase in the cost of U.S. participation in these organizations. According to U.N. scales of assessments, contributions the United States provided for the United Nations, its specialized agencies, and IAEA rose from \$84 million in 1968 to \$243 million in 1978. Maintaining permanent staffs at U.S. missions to international organizations located abroad, in New York, and in Washington, D.C., currently costs another \$12 million, annually. In addition, miscellaneous other funds are appropriated for advisers and experts drawn from various segments of Government and industry to provide backstopping services and support for these organizations.

EFFORTS TO IMPROVE EFFECTIVENESS OF U.S. PARTICIPATION

Concern over this cost led the Congress in 1972 to place a 25-percent limit on U.S. contributions to the United Nations and most of its affiliated agencies. The Congress has also supported our prior studies of U.S. involvement in international organizations. In several reports issued since 1969, we have stressed the need for management improvements--in the agencies themselves and in the manner of U.S. representation. Principally, our recommendations were directed toward the need for U.S. objectives, improved budgeting and programing, strengthened recruitment, and more effective evaluation.

• Our recent study, "U.S. Participation in International Organizations," (ID-77-36, June 24, 1977), concluded that in spite of past criticism, the State Department and other executive branch agencies had not greatly changed their management methods nor had much progress been made within the United Nations. Although the study did not include UNESCO, we did

observe that this agency appeared to be ahead of other specialized agencies we visited in its approach to programming and budgeting. By including financial projections in its 6-year program plan and by integrating the biennial program budget with the plan, member governments were given the opportunity to judge future agency programs on merit and on cost.

This study appraises the progress made by UNESCO in implementing this system, its significance to improved U.S. participation in UNESCO and other international organizations. This study also presents some problems we observed in the system.

UNESCO BACKGROUND

Formally established in 1946, UNESCO is one of fourteen specialized U.N. agencies with recognized speciality fields. It differs from other agencies, however, in the broad range of its activities. Its purpose is to contribute to peace and security by promoting international intellectual cooperation not only in education, the natural sciences, and culture, but in mass communication and the social sciences as well. Principally, it provides a forum for advancing mutual knowledge and understanding through collaboration among members, adoption of international norms and standards, and the gathering, analysis, and dissemination of information.

UNESCO's main organizations are the General Conference, an Executive Board, and a Secretariat headed by the Director-General. The General Conference is its supreme body, convening all member nations (presently 146)--generally during even-numbered years--to determine policies and major work areas. Principally, the General Conference approves or adjusts the 6-year, medium-term plan and the biennial work program and budget proposed by the Director-General. Between General Conferences, the 45-nation Executive Board meets semi-annually to make advance reviews of proposed program and budget submissions, supervise execution of the existing program, prepare the General Conference agenda, and perform miscellaneous advisory functions. The Director-General is chief administrative officer. He and his staff (1) prepare the program and budget, (2) make proposals and report results to the membership, and (3) create the structure and appoint the staff to carry out the direction the members provide.

U.S. REPRESENTATION TO UNESCO

Because of the broad range of UNESCO activities, many U.S. agencies and nongovernmental bodies are affected by

its programs. The Secretary of State manages U.S. participation in the agency. Planning, coordination, and policy formulation and implementation functions are carried out in the Department of State Bureau of International Organization Affairs. This Bureau evaluates agency programs, solicits the views of U.S. experts and technicians, prepares position papers, screens candidates for UNESCO employment, provides instructions to the staff of the Permanent Representative in Paris, and maintains continuous liaison with several UNESCO-linked activities.

The U.S. Permanent Representative to UNESCO, given an ambassadorial rank in late 1977, heads a professional staff of seven plus secretarial support to monitor agency programs on site. Three members of the management team are specialists in science, education, and development programs, detailed to Paris by their Washington-based agencies (the National Science Foundation; the Department of Health, Education, and Welfare; and the Agency for International Development); two members are foreign service career officers; and the remaining member is a part-time, temporary, local-hire recruitment officer. At the 1978 General Conference, the Permanent Representative was elected as the U.S. member to the Executive Board. Supplementing the Permanent Delegation at UNESCO General Conferences is a 30 to 40 member body of delegates, including several Presidential appointees which represent various interested U.S. constituencies.

The U.S. National Commission for UNESCO was created in 1946 in accordance with a UNESCO constitutional suggestion that each member state establish a commission to advise the General Conference delegation and their governments. The Commission is composed of 100 members appointed by the Secretary of State, representing national voluntary organizations, Federal, State, and local governments, and other interested bodies. As an advisory and public relations body to the State Department and UNESCO, the Commission is assisted by a secretariat staff and is financed by the State Department.

Several other executive departments and agencies, including Commerce; Health, Education, and Welfare; the Interior; the National Science Foundation; the Agency for International Development; and several others, are involved in UNESCO programs to a lesser extent.

SCOPE OF REVIEW

Our review was made at the Department of State and other executive agencies in Washington, D.C.; the U.S. Permanent Delegation to UNESCO in Paris, France; and the

U.S. Mission to the United Nations in New York. Because international organizations themselves are outside our audit authority, the scope of our review was limited. We did not directly examine UNESCO operations. The UNESCO budgets and programs are discussed extensively in this report as understanding of UNESCO procedures is necessary to evaluate U.S. participation and influence on program economy and effective administration. With the assistance of the U.S. Permanent Delegation in Paris, however, we received excellent cooperation from UNESCO officials and were able to review UNESCO documents and interview UNESCO officials. The U.S. Mission to the United Nations also arranged meetings for us with representatives of the U.N. Secretariat.

CHAPTER 2

U.S. PARTICIPATION IN UNESCO

Although we have not previously examined the effectiveness of U.S. participation in UNESCO, such reviews of other U.N. agencies have frequently disclosed inadequately defined policy objectives and priorities to guide U.S. officials in serving both organizational goals and American interests. During this review, we found that the existing mechanisms for establishing, updating, and implementing program goals and priorities needed strengthening though some steps to remedy this situation are currently underway.

UNESCO political actions with regard to Israel, freedom of information, human rights, and other issues have been cause for considerable congressional criticism. Reacting to this criticism, the Department of State has expended much effort to prevent or reduce the damage which might stem from actions taken by the agency's governing bodies at the cost of U.S. leadership in substantive program matters. We found that although U.S. arrears payments and the appointment of an ambassadorial level permanent representative, who is now also the U.S. Executive Board member, have had a salutary effect on its relations in UNESCO, much still needs to be done to make the United States a more active and effective partner in UNESCO.

U.S. POLICY OBJECTIVES AND PRIORITIES

Since 1969 we have reported that the executive branch needs to establish definitive policy objectives and priorities to support U.S. participation in international organizations. We have stated that such guidance is necessary to effectively appraise organizational proposals and performance. Although a general statement of U.S. objectives in UNESCO does exist, we found there is a need for more explicit statements of U.S. program priorities on a continuing basis. Without such guidance, the effectiveness of those assigned to advance U.S. interests in UNESCO are certain to be impaired.

Through the Bureau of International Organization Affairs, the Secretary of State formulates and coordinates policy, plans, and programs related to U.S. participation in the organization. As such, the Bureau is responsible for providing policy and program direction to U.S. delegates and others concerned with American involvement in UNESCO. We believe that this responsibility has not been

adequately met. The National Commission attributes the shortcoming to the low priority that U.S. foreign policy gives to UNESCO. Some delegates attending UNESCO General Conferences felt that substantive program matters were given inadequate attention because of the need to accord top priority to major political issues addressed at the conferences. Several staff members of the Paris-based Permanent Delegation told us that their greatest problem in reviewing UNESCO programs was that there was a need to establish priorities among the varied U.S. interests.

The Permanent Delegation staff believed the situation could be rectified if the State Department established an appropriate mechanism for selecting program emphasis and priorities. In addition, to make more effective use of time and resources, the staff cited a need for guidance to permit it to be more selective and thorough in those program areas considered more important or of greater benefit to the Government or other domestic professional constituencies.

In accordance with a State Department request, the Permanent Delegation provided State a list of its objectives in October 1977. The list placed clear stress on political objectives, though strategy on program and budget matters was also included. The Bureau-approved goals statement, submitted in late March 1978, and still considered valid, omitted specific references to program objectives and priorities.

In the meantime, to facilitate a management transition in which the heads of the UNESCO Directorate in Washington and the Permanent Delegation switched places and assisted the newly appointed Ambassador, a mission plan was submitted to the State Department in January 1978, calling for increased focus on program matters and requesting policy-level approval of definitive objectives and priorities. The requested definitive guidance was never provided. The last detailed statement of U.S. program priorities is contained in the U.S. response to a lengthy questionnaire UNESCO officials sent member states in the summer of 1977.

Nevertheless, the need for objectives and priorities underlying U.S. participation in international organization programs we recognized long ago has begun to receive attention at higher State Department levels. In his report to the President on reform and restructuring of the U.N. systems (February 28, 1978), the Secretary of State said

that improvement of U.S. participation in the United Nations and its specialized agencies depended on development of its ability to

- ensure that U.S. policy objectives in each U.N. agency are coordinated and integrated with overall U.S. foreign policy objectives;
- monitor continuously U.S. participation in each international organization and program, identify and analyze problem areas, and establish policy objectives with regard to each of these multilateral institutions;
- assure the most effective involvement of the different departments and agencies of the executive branch in the activities of these multilateral institutions; and
- bring U.S. multilateral diplomacy to bear on achieving greater effectiveness, efficiency, and economy within each of the organizations and programs of the U.N. system.

Although acknowledging some shortcomings in these areas, measures to correct them are being taken. To this end, the Department has commenced development of a policy analysis and resources management process through which it plans to formulate annual action programs for each U.N. agency. In March 1978, each State Department office coordinating agency programs was given the responsibility to prepare--with the assistance of other concerned parties--a comprehensive statement of U.S. policy objectives. The action programs were designed to form the basis on which the United States conducts its relations with particular U.N. agencies.

Development of the UNESCO action program has been slow. Bureau officials concerned with UNESCO asked the Permanent Delegation to provide input into the document's preparation to meet a May 1978 deadline. The need to get ready for the UNESCO spring 1978 Executive Board meeting caused a delay in submission of the input. The Bureau sent a draft copy of the UNESCO action program forward for approval in late June 1978, but it was returned for revision. Further work has been suspended because of the need to tend to other pressing matters. Therefore, it was not available as a guide for U.S. delegates serving at the 1978 General Conference. We are conducting a separate review of the

Department's implementation of its action programs for the major U.N. agencies. Bureau officials told us, however, that, the UNESCO goals and objectives statement was being updated and revised to include program priorities.

EFFECTIVENESS OF U.S. REPRESENTATION

It would appear that the United States should be in a strong position to exert important influence in connection with UNESCO programs and budgets by virtue of its leadership in those program areas covered by UNESCO and its substantial contribution to its regular budget. U.S. influence, however, is more implied than direct. The United States has only a single vote in the General Conference and in the Executive Board with which to recommend and approve actions on the program and budget. Further, other members tend to take the size of the U.S. contribution for granted. Under these circumstances, whatever influence the United States possesses in shaping organizational activities stems significantly from the ability of its delegates to convince the representatives of other member nations and the UNESCO Secretariat on the desirability of pursuing particular courses of action.

Despite efforts to improve the U.S. image in UNESCO by upgrading the level of its representation in the Permanent Delegation and at UNESCO functions, some close observers feel that the U.S. commitment toward the organization is still lacking and that its policies are reactive rather than innovative. The National Commission, advisor to the Department of State on all matters relating to U.S. participation in UNESCO, contends that the pursuit of U.S. interests in UNESCO requires a greater professionalism and continuity of representation than in recent years. In addition, the Commission considers the consultation process with the affected professional groups it assists as being too hastily arranged. It should be pointed out, however, that the Commission's own effectiveness is less than what it could be if its large membership were more active in reviewing the UNESCO program and budget. Other observers of U.S. relations with UNESCO cite the inattention in establishing program policy and priorities, and insufficient early planning as major obstacles to improved performance.

General Conference

The performance of U.S. representatives at General Conferences relative to discussions and negotiations of substantive program matters has been criticized by observers and even the delegates themselves. Members of the

Permanent Delegation and officials in the State Department and the National Commission expressed the view that the effectiveness of many delegates has been reduced because of a lack of one or more of the following: (1) suitability for service or advance preparation, (2) adequate guidance on program objectives and roles of individual delegates, and (3) continuity of experienced personnel. According to one observer, a major cause of the delegation's reduced effectiveness is that delegation membership is awarded too frequently for political reasons. As a result, some public members are insufficiently informed or interested in the proceedings.

Of the approximately 30 U.S. delegates attending the 1978 General Conference, in addition to the Permanent Delegation, only about a fourth had previous delegation experience and about half had previous intergovernmental conference experience. The Permanent Delegation staff members regard such inexperience, regardless of the participants' other qualifications, to be a decided detriment in obtaining favorable consideration of U.S. initiatives. According to members of the Permanent Delegation, only about a third of the visiting delegates were of any real help on substantive program issues. Some of the delegates even expressed reservations regarding their contribution or influence of the organization's work plan. Despite the presence of inexperienced personnel at the Conference, Bureau officials regarded the delegation as one of the strongest the United States has ever fielded--considering the credentials of the delegation leadership and its lack of reliance on the inexperienced members.

We believe the lack of contribution and effectiveness of at least a segment of the U.S. delegation had to diminish its credibility among UNESCO staff and the delegates of other member states. Further, we believe that if appointment to General Conference delegations were made early enough to allow adequate preparation--for example, 6 months in advance of the Conference--the delegation's overall effectiveness would be improved.

An overall program strategy for the 1978 General Conference was not prepared because Bureau officials regarded the task as impossible, given UNESCO's extremely diverse areas of responsibility. Instead, sector strategies and program costs were addressed in a detailed scope paper furnished delegates. Still, political issues--mainly mass media, human rights, and race-related topics--dominated the delegation's attention. Regarding the program and budget, the United States was instrumental in pressing for

increased concentration of program resources in high-impact areas, improved management, and a zero-growth budget.

Covering the commission debates for the United States on most managerial, financial, and administrative matters before the Conference was an expert on management affairs with an extensive background in international organizations and intergovernmental conferences, though he had not previously attended a major UNESCO conference. Although he ably pointed out areas of general management weakness, such as the need for more integrated and sequential planning, programing, budgeting, and evaluating, he did not challenge specific budget items because they had previously been reviewed by the Executive Board. Nevertheless, his performance was justifiably praised by U.S. officials.

Executive Board

Various officials responsible for protecting U.S. interests in UNESCO regard organizational experience and service continuity as indispensable requisities for effective representation at Executive Board meetings. Nonetheless, over the past decade, the U.S. Board member has averaged less than half the normal 4-year term. During the 1974-78 term, three different individuals served on the Board. The frequent personnel changes that have occurred have also given rise to concern in the Permanent Delegation that other member countries and senior Secretariat officials may view the frequent rotation as indicating a lack of respect for the organization which could endanger the continuous U.S. membership on the Board.

At the 1978 General Conference, the U.S. Permanent Representative was elected to represent the United States on the Executive Board. His election should solidify relations with other Board members and with the Director-General and his staff. Both the Resident Paris staff and the U.S. National Commission endorsed the President's selection of the Permanent Representative as the Board Candidate and they viewed this move as a stabilizing factor in U.S. representation.

Intergovernmental councils

Besides being represented at these main UNESCO forums, the United States participated in various intergovernmental conferences and meetings the organization convened. U.S. officials attach particular importance to the activities

of the intergovernmental councils operating within UNESCO to guide and coordinate the worldwide programs in such major fields of study as marine science (Intergovernmental Oceanographic Commission) and ecology (Man and the Biosphere).

To maintain influence and leadership in those UNESCO programs having intergovernmental councils, the United States has pursued a policy of being represented on a maximum number of these councils. It is in these councils where program actions are centered. Until 1976, the United States enjoyed perennial membership on all eight UNESCO intergovernmental councils as well as the nongovernmental council. Although an explicit policy of membership rotation adopted by the 1976 General Conference has since interrupted its previous unbroken membership, the State Department continues to emphasize obtaining U.S. representation on as many councils as the rotation policy will permit. To preserve an effective presence where attention was considered to be most needed, strategies for selective relinquishment of council memberships, representation through like-minded council members, and continued attendance as observers were developed for the 1978 General Conference. The United States gained membership to all the councils at this Conference, including the one to which it was excluded in 1976.

In addition, the United States was successful in giving the councils and specialists in the science sector a greater opportunity to shape their own program. Its proposal to focus on the priorities determined from the advice of intergovernmental councils and ad hoc groups of scientists drew widespread support. We believe this is a positive step. Although program activities not fitting into the intergovernmental framework could conceivably suffer due to lack of sponsorship, the need for program concentration may be a matter of even greater concern to member states. U.S. representatives on the councils are regarded by their peers to be technically competent and program-dedicated. Our review also disclosed several other problems with U.S. participation in UNESCO, involving the programing and budgeting processes. These, and our recommendations, are discussed in chapter 4.

CHAPTER 3

UNESCO PROGRAM PLANNING AND BUDGETING

Our earlier observation that UNESCO appeared to be ahead of other specialized agencies in several management areas (ID-77-36, June 24, 1977), was based on its innovative approach to program planning and budgeting. Specifically, we found that the organization had (1) established an apparently effective dialogue with member governments on program preparation, (2) merged planning and financial data, enabling member governments to judge future programs on cost as well as merit, and (3) integrated a procedure for periodically evaluating the performance of continuing program activities. Although UNESCO activities were not studied in detail during that review, we regarded the management procedures to be unique and forward-looking compared to the other U.N. agencies examined; and further, as having the potential for improving the effectiveness of U.S. participation in UNESCO and in other international organizations as well.

After closer study of UNESCO planning and budgeting processes, we believe they are conceptually sound and permit progress toward improved disclosure of program aims and their financial implication to member governments. We found, however, that the documents implementing the system would be more useful if they were shorter and more precise; also, if they were presented in a more consistent format and improved time sequence to facilitate review by the member states.

A brief description of how the UNESCO mechanism for program planning and budgeting has evolved and currently works is presented below. This information is provided to better enable the reader to put our views in perspective regarding the effectiveness with which those responsible for U.S. participation in UNESCO are responding to the agency programming approach as discussed in chapter 4.

THE MEDIUM-TERM PLAN

The current UNESCO medium-term plan, covering the period 1977-82, was adopted at its nineteenth General Conference held in late 1976. The plan, which received the broad approval of member states, represented the culmination of an extensive effort by the United States and others to improve the agency planning process. It establishes the organization's objectives and the means for achieving them

over the 6-year period. Further, it provides the framework for preparing the biennial programs and budgets during this period. Although a document containing draft adjustments to the plan was approved by the 1978 General Conference, this modification is not expected to have a significant impact on the overall program during the plan period.

At the same 1978 Conference, the delegates adopted a U.S.-initiated resolution urging program concentration and approved many other resolutions, declaring that priority attention and funding be given to various individual projects. In addressing delegates on how the problem of choosing between these priorities were to be met, the Director-General emphasized that the Secretariat would take its cue from the resource allocations already established in the medium-term plan, thus reaffirming its importance.

Style and content

Stated simply, the plan's structure consists of (1) a narrative description of existing problems to be addressed within the agency's sphere of competence, (2) the strategy and resources to be applied, and (3) the objectives to be reached at the end of the period. It covers 44 objectives within 10 problem areas. Resource indications, as a percentage of the program budget, are provided for each objective. By comparing the percentage resources for each objective at the beginning and the end of the period, the projected real growth rate for each objective can be determined. They range from zero to twenty-five-percent growth biennially. For example, zero growth was accorded to studies in population, international law, the role of youth, and artistic and intellectual creativity, while top growth was given to the study of sociocultural conditions. Overall, the plan established a biennial program growth rate of 6 percent.

The UNESCO plan differs from those of other agencies in several important respects. First, the plan provides targets of the financial resources needed to reach each objective for the entire plan period. The absence of financial program data in the plans of other specialized agencies results in the member states being unaware of the full cost implications of their commitment to programs spanning more than one budget period. Second, the plan indicates the relative emphasis placed on each program objective, making it easier for the member states to relate agency objectives in terms of their own national and regional priorities. Third,

the plan has a contrasting cycle and structure. Its fixed term of 6 years corresponds with the principles for medium-term plans put forward by the U.N. Administrative Committee on Coordination, but differs from the U.N. 4-year plan that is extended for a further 2-year period every 2 years. In addition, UNESCO is now the only major U.N. agency to commence its plan in odd-numbered years. Action is being taken, however, to place UNESCO on a compatible cycle with the other agencies, starting in 1984.

The plan, which encompasses a statement of the problem, historical background, desired impact, and program principles and sections for each objective, is rather voluminous and global in its approach. We believe the plan would be a more useful management instrument overall if shortened and made less rhetorical, but more definitive in its objectives statement and in the means toward objectives achievement. Some of our reasons are set out below.

Need for broader coverage and clarity

The plan is intended as an overall framework and guide within which to prepare the biennial program and budget. However, our analysis shows that about half the regular budget expenditures, comprising the major part of biennial increases, relate to nonprogram costs not addressed in the plan. These include common services, administration, monetary costs, such as inflation and the dollar decline, and the impact of extrabudgetary programs, all of which influence the operating budget and member assessments. Thus, although the program growth rate in the plan may appear to be reasonable and acceptable to the member states, the overall budget may not be.

We recognize the inherent difficulties in formulating a program plan which deals adequately with all the factors having budget implications. Nevertheless, we believe program plans should be realistic in terms of what members can afford, or are willing to pay, for agency activities. The recent depreciation of the U.S. dollar resulted in a \$26 million increase in the 1979-80 budget. In our opinion, this emphasizes the need for establishing some kind of plan appropriation limit, considering all costs that member countries willingly assume during the entire plan period. Program growth would have to be cut back or curtailed altogether, for example, if world economic conditions produced a higher-than-anticipated rate of inflation and the member states sought counterbalancing financial austerity in other areas.

Thus, we believe the plan would be more effective if, in addition to its program coverage, it addressed the major topics likely to have a significant impact on the organization operations--even if they are commented on only in general terms. At a minimum, we think these topics should include guidelines for (1) cost increases in common services and administration, (2) recommended treatment of costs stemming from inflation and currency fluctuations, (3) identification of the magnitude and growth of related activities in other agencies, and (4) the anticipated impact of extra-budgetary resources. Members need this data to effectively evaluate UNESCO work.

Our review of the plan showed that parts of it lack the specificity and clarity needed to facilitate analysis of proposed actions and permit measurement of program performance by program managers. The plan objectives proposed by the Director-General and adopted by the General Conference are not accompanied by specific reference points for measuring program or project achievements. Although 1982 targets are set for each plan objective, many of these targets contain the same general and nonquantitative language, precluding the possibility of effective evaluation of program results.

In approving the plan, the General Conference asked the Director-General to make a greater effort to keep future planning and documents more concrete and practical. In particular, the member states stressed the need for (1) increased clarity to emphasize the relationship between the means and ends and (2) better evaluation or assessment methods of ongoing programs. Also in this connection, the March 1978 U.N. Joint Inspection Unit "Report on Programming and Evaluation in the United Nations," stresses the need for identifiable and sufficiently precise objectives and target dates in the medium-term plan to establish and measure specific output.

A document proposing limited adjustments and suggesting a more detailed format to the medium-term plan was presented to and unanimously approved by the 1978 General Conference. The adjustments had the effect of slightly raising the program growth rate (by one-quarter of 1 percent) and showing membership approval for the technique of detailing expected results, by theme, within each program objective. Although we regard the proposed new format to be a good innovation, we found that the language describing the expected results was still too vague.

Need for closer interagency coordination

The draft plan was sent to other U.N. organizations in April 1976 for coordination. We were told that no other specialized agency submitted such a full plan for review by other organizations. Substantive comments were received from 10 U.N. organizations concerning specific fields of UNESCO program activity which had relevance to them. These comments, together with the Director-General's observations, were presented to the member states for their consideration at the fall 1976 General Conference. We found that the comments indicated that the work the agencies were engaged in overlapped in a number of areas. In responding to these comments, however, the Director-General acknowledged the existence of some program similarities but said that he viewed them as being complementary and as presenting opportunities for closer collaboration with the other agencies. Notwithstanding the Director-General's comments, we believe that some agency overlap was occurring. In no known instance, however, did the agency comments result in any substantive change to the UNESCO draft plan before its adoption.

Copies of the draft adjustments to the medium-term plan were similarly dispatched to all the organizations of the U.N. system in June 1978 to invite their comments on the program approach. According to the UNESCO summary prepared for the consideration of 1978 General Conference delegates, only 3 of the 14 organizations which had responded by late September 1978 made substantive comments. Concerning one theme on which U.N. officials said there is "clear duplication of effort," the Director-General replied:

"* * * the fact that the United Nations and UNESCO have common objectives in the field of youth should not lead to duplication. On the contrary, common objectives show similarity of views which results from improved cooperation between the two Organizations."

We believe the comments of the other U.N. organizations demonstrate a need for closer interagency coordination on proposed program activities to avoid duplication and increased vigilance of the United States and the other member states to prevent their occurrence.

The administrative machinery for inter-secretariat program coordination in the U.N. system exists through the Administrative Committee on Coordination--composed of the

heads of the specialized agencies and subordinate working groups. U.N. officials in New York, however, told us this machinery could only identify--but not bring about--program changes to eliminate overlap between agencies, and that the member governments should urge management restraint on such proposed agency activities. Thus, in the end, the initiative for actions to curtail overlapping activities must be taken voluntarily by the agencies concerned and, in the case of UNESCO, we are aware of no program changes being made.

The next medium-term plan

Although the medium-term plan is still in an early stage of implementation, preparations for the next plan, to take effect in 1984, have already begun. In considering the next plan at the 1978 General Conference, the delegates approved, in principle, the Director-General's intention to conduct long-term studies to assist in defining future organizational objectives and to prepare future medium-term plans. The delegates, however, urged the Director-General to consult the member states regarding the plan as soon as possible. Following the Conference, the Executive Board set August 1, 1980, as the deadline for the Director-General to submit a preliminary report on the preparation of the 1984-89 plan to the member states.

If the Secretariat is to adhere to its schedule of presenting member states with a preliminary report on the next plan by mid-1980, then the process of consultation on it must commence during 1979. Therefore, we believe it is not too soon for U.S. officials to begin considering the methodological and substantive changes they would like to see incorporated in this plan.

THE PROGRAM BUDGET

The UNESCO program budget--unlike the medium-term plan, which is primarily conceptual in nature and was developed much more recently--establishes the framework for the organization's actual work program. This type of budget serves to explain, by program component or objective rather than by the more traditional object of expenditure method, how the requested appropriations are planned to be spent. In addition, because the organization work program is closely tied to the budget, the latter serves as the Secretariat's main instrument for internal control.

Unique characteristics

The UNESCO budget is distinguished from those of the other U.N. agencies by the manner in which it relates to the medium-term plan, by its cycle, and by the broad scope of its coverage. Rather than allocating resources by program sector and project as it used to do, UNESCO is currently in the process of converting to a budget format showing costs by program objective and sub-objective corresponding to the financial targets in the medium-term plan. Because the budgets of other agencies are not related in a similar way to resource indications in their medium-term planning documents, the UNESCO presentation is unique in that it allows the member states to receive better knowledge of the financial commitment necessary to achieve broad program objectives--and permits more effective measurement of agency progress and accomplishments--over several budget periods. This method of presentation, while still in the developmental and refining stage, should aid the members in their review and decisionmaking process of whether to continue their support of new or existing programs.

Like several other major U.N. organizations, UNESCO employs a biennial budget cycle. The organizations not on a biennial cycle use cycles ranging from 1 to 4 years. UNESCO is the only organization, however, whose budget commences in odd-numbered years. In addition, the program budgets of the various agencies vary in format. To facilitate the comparability needed to make possible effective inter-organizational cooperation, the Administrative Committee on Coordination has established guidelines for the consistency of program budgets along a common structure and cycle. Although we found that the UNESCO budget already conforms to the recommended structure, its cycle will not coincide with the other agencies until it begins in an even-numbered year in 1984. This will call for a one-time triennial budget, covering the years 1981-83, or a year beyond the existing medium-term plan.

The varied activities falling within the organizations' charter are clearly broader than that faced by other specialized agencies. In recent years, the emergence of programs--such as human rights, the environment, population, drug abuse, and vocational education--and the application of new technology across economic and social sectors have increased the activities which regular program resources cover. The Secretariat asked member states to indicate their views on no less than 193 separate program themes in connection with the preparation of the 1979-80 draft budget.

Relationship to the medium-term plan

We found that the work plan and allocation of program resources in UNESCO budgets were based on the medium-term plan, though the budget document is more comprehensive in coverage. The budgets provide cost estimates of specific actions to be taken in conjunction with themes developed from each objective in the plan. The unadjusted real program growth rate (determined by using constant dollars and adjusting separately for inflation) proposed in the first two draft budgets of the plan--4.2 percent in 1977-78 and 6.35 percent in 1979-80--was in line with the guidance presented in the plan. Further, the budgets were approved intact by both the Executive Board and the General Conference in 1976 and 1978, respectively. Our analysis of the draft 1979-80 budget showed that the ratio guidelines set forth in the medium-term plan (app. II) were observed in many instances but that improved adherence to the plan guidelines was possible.

Despite the moderate real growth of UNESCO program activities, the overall increase in the budgets has risen significantly in recent years. The approved budget for 1979-80 projects an expenditure level of \$303 million, and an increase of \$79 million--or 35 percent--over 1977-78. This increase considers the decline in value of the dollar which added \$26 million--or nearly 10 percent--to the draft budget completed in March 1978. Assessments of member states (\$290.4 million) rose by 34 percent, compared to 33 percent in 1977-78; 40 percent in 1975-76; and 43 percent in 1973-74. Inflation and the decline in the value of the dollar are mainly responsible for the large increases.

Role of consultation in drafting the budget

The UNESCO budget ceiling, which is established in the early stages of the General Conference to facilitate fixing limits on program expenditures, ostensibly represents a compromise figure reached between the major contributors, the Third World nations, which comprise the majority of members, and the Secretariat. Generally, the compromise figure, very closely resembles the one put forward by the Director-General in the draft program and budget, adjusted for differences in the exchange rate between the U.S. dollar and the French franc. Once approved by member states at the General Conference, the budget becomes fully binding on them according to their assessed contribution. Because a large majority

(93 percent) of the organization expenditures was incurred in strong currencies, led by the French franc (74 percent) and the U.S. dollar (17 percent), nearly all contributions were required to be paid in these currencies.

In drawing up the budget, the Director-General and his staff are guided not only by the medium-term plan but by their consultation with the member states, other U.N. agencies, and nongovernmental organizations. A principal tool in this consultation process leading to the preparation of the draft 1979-80 budget was a questionnaire sent to the member states and the others in March and April 1977. Although the time allowed for response (4 months) was universally considered too short, and the form of the questionnaires themselves was criticized, the response did provide an insight into the complexity of the Secretariat's task in establishing program priorities. Of the 193 themes presented for ranking by major, moderate, or minor emphasis, more than 87 percent were designated for major emphasis by a majority of the responding member states. Because of the skewed replies, we could not determine what impact the questionnaire had on altering resource allocations made in the draft budget from those suggested by the medium-term plan. We do know, however, that several member states, including the United States, expressed concern about the need for improved methods of program presentation, evaluation, and control of the budget growth.

In late October 1978, just before the start of the General Conference, the Secretariat published the comments made by other organizations of the U.N. system on the UNESCO draft 1979-80 budget. In several instances, these agencies cited the need for close collaboration to preclude possible overlap or duplication. Although the comments were intended to assist the General Conference delegates in examining the draft budget, U.S. officials attending the Conference told us that they were aware of no program changes occurring as a result of them.

Secretariat planning and preparation of the budget normally begins 2 years prior to implementation. Thus, planning for the proposed one-time triennial budget (1981-83) necessary to place UNESCO in the same time phase with the other U.N. agencies has already begun. According to the timetable adopted by the Executive Board following the General Conference, the Secretariat was to begin soliciting the suggestions of member states and nongovernmental organizations by March 1, 1979; submit preliminary proposals to the

Executive Board by August 1, 1979; and distribute the draft budget by March 1, 1980. Suggestions of member states to be considered in the draft budget preparation must be submitted by September 30, 1979.

Because the proposed 1981-83 budget will extend beyond the present medium-term plan period, the need for effective consultation in the preparation of this document will be heightened. A group of experts representing 14 member states, including the United States, met at UNESCO headquarters in April 1978 to consider future methods of consultation on program and budget matters. These experts emphasized the need for timely and selective consultation with the member states. In commenting on their report, the Director-General stated his intention to conduct a simplified form of consultation--without a questionnaire--based on issues to be determined. Should this approach be adopted, the significance of the Executive Board's oversight responsibility to balance the Director-General's influence in shaping organization programs will be heightened.

Description and nature of program actions

The description of program actions in the draft 1979-80 budget reflects the organization's broad concerns and varied activities. Although the proposed actions are grouped by theme and cost under each objective and the appendixes provide details of projected outputs (such as planned publications, conferences, and training seminars) we found that the manner in which they are presented makes it difficult for the reader to obtain a good understanding of the work or its value. The descriptions are very general, lacking clarity, and cost breakdowns are too broad to permit meaningful analysis. Moreover, for continuing activities, indicators for measuring progress or results are frequently not provided. Several activities were proposed which (1) were given a low priority ranking by the member states, (2) were similar to projects being funded by or carried out by other U.N. agencies, or (3) appeared to represent accommodations made to individual member states and program managers within the Secretariat.

Our opinion is apparently shared by the UNESCO Executive Board. Its working group on the budget, after examining the draft 1979-80 document, commended the introduction of "expected results" of program actions as a means of facilitating the evaluation process. It commented in June 1978, however,

that many of the statements were ambiguously phrased making objective analysis of results difficult--if not impossible. The working group suggested that efforts be made to define "expected results" more precisely.

Basis of program actions

The proposed actions program presented in the UNESCO draft budget are backed by considerable detail stemming from justifications submitted by the program managers and from adjustments made in the approval process by the Secretariat's top management. Although these justifications--and the management reports from which they are prepared--are not routinely available to the member states as a matter of agency policy, we were permitted to examine selected reports for illustrative purposes. We found the internal data to be far more explicit than the language used in the draft budget document presented to the member states.

The draft budget is supported by a series of budget justifications which show the cost breakdown by object of expenditure for each program element. Staff costs, for example, are broken down by office and man-months. Once the draft budget is approved, the justifications form the basis for a very comprehensive and detailed operating plan referred to as the program activity detail. This is an annually prepared document of entire projects--regardless of funding source--which is used to establish management control. The activity detail shows specific projected actions for each year, when they will take place, how much they will cost, and who is responsible for them. It is also used as the basis for quarterly budgetary status reports which show rates of project implementation, derived by comparing actual expenditures to the approved budget figures.

In examining the status reports, we noted that the figures used for control purposes in these reports did not always match the budget figures approved by the General Conference. Although adjustments were made to several individual projects during the 1977-78 budget period, these adjustments did not appear to have a significant impact either on the total resources applied by program objective or by sector from the budget version approved by the member states. However, the status reports did indicate that--at least for 1977--project implementation was well behind schedule, an observation also made by the Director-General.

Further, in his introductory remarks to the draft 1979-80 budget, the Director-General states that the technique of using constant dollar values results in the draft

budget estimates for 1979-80 being directly comparable to the corresponding figures for the approved 1977-78 budget. We found, however, that the 7-percent real growth rate calculated for direct program activities in 1979-80, was based on an adjusted (and unexplained) figure \$2.4 million higher than was approved in the 1977-78 budget. If the real program growth rate had been calculated using the approved 1977-78 figures as a base, the rate of increase would be 9.4 percent. The format change from showing sector costs by project (in 1977-78) to a format showing sector costs by objective (1979-80)--without a complete reconciliation of how the transfers were made--also hampered a budget review.

Based on our brief inquiry, we believe the Secretariat can be more informative in its presentations of draft program and budget documents to the member states. The more detailed project descriptions and current implementation data available to the Secretariat would, if also made regularly available to the Executive Board, permit the Board to better discharge its advisory function.

ACCOUNTABILITY FOR PROGRAM RESULTS

UNESCO program progress or accomplishments are reported through periodic impact statements and activities reviews. We found that because of the difficulty in analyzing this data and because of timing, meaningful assessments were difficult to determine. We believe the method of reporting on UNESCO programs could be improved, and several member states and UNESCO top management officials share this view.

A report which could provide the data system needed for assessment of results is that issued by the Director-General on the activities of the organization. The latest available document, published in June 1977 for the years, 1975-76, marked the first time this report has covered an entire biennium. However, it was not considered by the full membership until the fall 1978 General Conference--22 months after the close of the period to which it relates. Although the report attempts to meet Executive Board wishes for analytical accounts of activities, the time phasing of the document renders it pretty much ineffective in this regard. In addition, because the report refers to a period preceding the present medium-term plan, it does not conform to the plan's structure. Therefore, in our opinion, it has more practical value as a historical document than as a guide for future programs.

In 1974, at U.S. instigation, the General Conference requested that future draft budgets include statements of major impacts, achievements, difficulties, and shortfalls for each continuing program activity. Because the early deadline for preparing the new draft budget precluded much substantive comment on the existing cycle's program, it was decided to issue the statement separately to the Executive Board and General Conference in the fall of even-numbered years based on the first 18 months' actual experience.

We believe that the statements, which are prepared in the same format as the medium-term plan and budget, have merit as an evaluation tool. This potential, however, has not been realized. We found that the initial version, presented in 1976, was flawed by too many generalities and too much avoidance of negative language. This appears to be a perfectly natural expectation because the document is prepared by the agency program managers and the office responsible for central planning. Although we found no indication that the statement brought about any program changes, the membership asked the Director-General to submit one again in 1978. He did so, and although U.S. officials found the document more informative, it was not discussed in detail at either the fall 1978 Executive Board or General Conference.

UNESCO officials acknowledge that neither document referred to above adequately assesses or evaluates current programs. The activities report and initial impact statement both relate to a period preceding the existing medium-term plan, and the second impact statement was regarded by the UNESCO staff as weak. To strengthen the next statement, the UNESCO staff plans to issue technical guidelines and conduct seminars covering the need for increased specificity. The Director-General has cautioned that progress toward development of a systematic framework for evaluation will be gradual. He acknowledged that the formulation of objectives and activities based on specific criteria to make their evaluation possible was only partially fulfilled in the draft 1979-80 budget.

CONCLUSIONS

We found that UNESCO planning and programming processes are conceptually sound. By incorporating financial projections into its medium-term plan program objectives, the member states and others affected by its programs are able to consider multiyear projects in terms of merit and cost, as

well. Realization of the potential benefits of UNESCO procedures, however, depends on clearly defined and measurable objectives, and sufficient detail on the means to their accomplishment provided early enough to respond to the information needs of members and other contributors and agencies. We found that progress toward these goals was slow.

Although program resources in UNESCO biennial budgets generally appear to be allocated to conform with the medium-term plan, the effectiveness with which they contribute to stated program objectives cannot be determined because objectives are not stated in precise or easily understood terms. Consistency of the UNESCO budget cycle with other agencies is scheduled for early in the 1980s.

In addition, we found that there had not been any perceptible slowdown in the rate of UNESCO budget growth. Although the indicated growth rate of regular program resources was kept within the limits suggested by the plan, significant increases in nonprogram costs not addressed by the plan generated continued strong upward pressures on the budget. We believe these pressures--mainly derived from inflation, currency fluctuations, and overhead--should be addressed in the plan because of their substantial impact on assessments made of member governments. Secretariat attempts to respond to individual wishes of constituent governments, while maintaining as broad a presence as its charter and resources permit, appear to be lending some credence to criticisms regarding scattered efforts, reduced impact, and overlap with other agencies.

Preliminary work on the next medium-term plan and budget has already begun. Thus, the period immediately ahead appears to afford U.S. Government representatives an excellent opportunity to present their views on desired objectives and priorities and to urge that objectives and tasks be stated in clear and precise language, permitting effective evaluation. (See ch. 4.)

RECOMMENDATIONS

To better capitalize on improvements made in UNESCO program planning and budgeting procedures, we recommend that the Secretary of State instruct those representatives responsible for managing U.S. interests in UNESCO to enlist Executive Board assistance in requiring the Secretariat to

--describe program objectives and performance targets in the plan and budget in more clear and precise terms, enabling assessments of program progress and results;

--address, in the plan, those nonprogram cost factors likely to have significant budgetary impact to allow member states a better opportunity to determine, in advance, the nature and size program which they are willing to support long range; and

--make detailed program justification data, performance reports, and financial-management data available routinely to the Executive Board for a more timely and effective use of its advisory function.

CHAPTER 4

U.S. ROLE IN UNESCO PROGRAM

PLANNING AND BUDGETING

Program direction and allocation of resources within UNESCO, although ostensibly determined by the individual member states through adoption of the program plan, the budget, and hundreds of draft resolutions presented at each General Conference, is actually determined by the Director-General and his staff. The Secretariat's effective control over the organization work plan is derived by virtue of its responsibility to draft the plan. The General Conference, assisted by the Executive Board, may modify the proposed plans and budgets, but the pressures and counterpressures resisting change usually make the final products very similar to the initial Secretariat drafts. Accordingly, we believe that if the United States is to influence agency program content and its methods of obtaining and expending resources, it must make its views known to the Secretariat early and convincingly in the planning process. We found that this aspect of U.S. relations with UNESCO needed improvement.

As discussed in chapter 3, the UNESCO program planning and budgeting processes--permit adequate analysis and development of alternative strategies although insufficient and untimely reporting limit these opportunities. Once the draft program and budget are circulated for comment, member states tend to view them as being final documents. Thus, the likelihood of the General Conference delegation causing significant changes of program direction is slight. In addition, the Executive Board is seriously handicapped in its ability to review draft program documents because of timing considerations. Consequently, we found it was the resident Permanent Delegation who, through daily contacts with Secretariat staff and other delegations (and now, with a more direct link to the Executive Board), was in the best position to represent U.S. interests in UNESCO.

The ability of the Permanent Delegation to make effective input into the Secretariat's drafting process, however, depends not only on the ability to track agency program trends and results but on obtaining sufficiently early and definitive guidance from Washington. We found that Permanent Delegation input has been hampered by (1) an inadequate system for identifying, updating, and implementing definitive U.S. program objectives and priorities; (2) a shortage of qualified staff to perform budgetary analysis

and provide program coverage in the areas of communication and human rights; and (3) inadequate procedures for collecting and evaluating program data. State Department officials acknowledged the shortcomings, and efforts to provide better policy and program direction were underway at the time of our review. For these efforts to be effective, however, we believe U.S. officials can and should try to do more to hold the Secretariat officials responsible for closer member consultation and accountability in planning and executing the program.

THE U.S. PERMANENT REPRESENTATIVE

The U.S. Permanent Delegation is staffed generally along the functional lines of the UNESCO main program. Because of manpower limitations, however, most officers have multiple responsibilities. For example, although one officer each is assigned full time to educational and scientific affairs and a third primarily to development assistance for all the sectors, the other officers cover more than one sector. All officers are involved to some degree in matters relating to political issues, personnel recruitment, and administration. Several staff members readily acknowledged devoting insufficient attention to review of program and budget matters. This lack of focus on programmatic concerns appeared to us to be caused by a lack of understanding about the main U.S. program interests and priorities in UNESCO rather than a reflection of overall staff competency and dedication--both of which we regard as excellent. One a Bureau official told us that the program sectors that tend to get short-changed are the social sciences (including human rights), culture and communication. These areas are neglected not because of political distractions, but because the two career officers lack expertise in these program areas.

Programing

The Permanent Delegation welcomed the proposed policy analysis action statement on UNESCO (see ch. 2) as a means of focusing increased attention on program objectives. In commenting on the exercise, the delegation stressed the need for a formal goals statement which carefully considers the degree of long-range support available from particular backers, considering the time and energy needed to include it in UNESCO programing. In addition, the Permanent Delegation said that in the past too many U.S. initiatives failed to accomplish much because they lacked support among domestic agencies and, sensing so, UNESCO management gave them only token attention or funding.

Currently, in pressing for zero-growth budgeting and the elimination of marginal programs, the United States has coupled its opposition to increases in real program growth with the proposal that UNESCO not adopt new programs without deleting existing low-priority programs of comparable size. Otherwise, the U.S. recommendation of new programs would result in even greater pressure on the UNESCO budget. Although terminating programs once under way is difficult, we nevertheless agree with Bureau officials who contend that U.S. influence regarding the UNESCO program can perhaps be more useful if rather than proposing new initiatives, greater efforts were made to eliminate old, marginal programs and to counsel ways to accomplish more with existing resources.

In attempting to do this, however, we found that the Permanent Delegation was handicapped in its ability to oversee program and budget details because current management information relating to project implementation and financial administration was unavailable. UNESCO management did not voluntarily--and often was not made to--release reports related to program effectiveness to delegates. The staff mostly relied on informal personal contacts in the Secretariat to stay abreast of program developments. Regarding these contacts, one member said Americans in the Secretariat tended to be more reticent than other nationals in their external dealings.

In addition, we found that the Permanent Delegation serves as a vital communication link with Washington on Secretariat program administration and reaction to other member country activities, providing considerable input into U.S. position papers for the Executive Board and General Conference. Although the Delegation claims credit for being instrumental in accomplishing some minor shifts within existing UNESCO programs, its main program contributions appear to be making the Secretariat more aware of the need for program evaluation, suggesting elimination of marginally valued projects, and stressing resource consolidation on programs having prospects for increased impact.

Budgeting and management

The Delegation has no professional budget analyst on its staff. Consequently, only a cursory review of the budget was made. The proposed expenditures for individual line items in the 1979-80 budget generally were not questioned. Because the cash-flow problems that have plagued the organization the last several years can be linked directly to the U.S. failure to pay its prior assessments

in full or on time, the United States has maintained a low profile with respect to budget matters.

Determining the appropriate budget level for an agency the size of UNESCO requires specialized analytical and forecasting skills. Among the problems encountered in evaluating budget proposals are ensuring that

- there is no double counting for cost increases,
- project terminations and productivity changes have been considered,
- provisions for exchange rate fluctuations and inflation are realistic, and
- projected real growth is measured in terms of new program activity rather than net budget increases.

At the same time, we recognize that a full-time budget analyst on a staff as small as the U.S. Mission to UNESCO may not be warranted. Positioning such an expert in Europe, to assist the resident staffs at the various U.N. organizations there, could be of significant help, however, in defining the true budget needs to implement proposed programs.

As it was, a management consultant with a long career in international organizations, but with no previous experience in UNESCO, represented the United States at an April 1978 panel of experts meeting on preparing future UNESCO budgets. Although this advisor did not participate in the Executive Board meetings which followed, he returned in the fall to cover the General Conference commission debates involving financial and program management. His service, lauded by U.S. officials, was marred in his own opinion by a meager agenda and a limited opportunity for issue analysis, thus predetermining the results of the Conference along the lines suggested by the Secretariat.

In particular, the consultant stressed the need for member states to be given an increased participative role in UNESCO management. His two principal suggestions were to (1) make the necessary improvements to three existing reports (the medium-term plan, the budget, and the Director-General's activities report) for use as an integrated, sequential unit for planning, programming, budgeting, and evaluating purposes; and (2) expand and start the process of consultation with member states earlier on management matters affecting program and budget decisions at the General Conference.

Regarding increased attention to management matters, we found that certain disclosures made by the External Auditor at the 1978 General Conference reinforces the need to pay increased attention to agency financial management. For example:

- a. The shortfall of extrabudgetary overhead contributions increased member states' costs though such costs are not supposed to erode regular budget funds. UNESCO's overhead costs in support of the United Nations Development Programme represented 21 percent of project costs, versus a contribution of 14 percent. Based on the approved \$72.7 million 1977-78 program, this represented an extra charge against member states in the amount of \$5.1 million;
- b. The Publishing Fund was subsidized by regular budget funds amounting to approximately \$10 million during 1977-78, partly because some of the costs of printing, author fees, and sales administration of publications intended for sale were charged to the budget. Although revenues to the Fund are supposed to be used to offset operating expenses, \$800,000 was used to finance capital expenditures without reflecting the expenditure in the budget approved by the General Conference;
- c. Procedures were not adequate to assure that obligations were correctly charged to the appropriate fiscal biennium; and
- d. Cash on hand at December 31, 1977, for regular program activities amounted to \$40.2 million, mostly in interest-bearing accounts, despite net contribution arrearages of \$15.2 million. At the same time, the 1977-78 appropriation of \$224.4 million was only 38.9 percent disbursed and 43.1 percent obligated at the mid-point in the budget.

A member of the U.S. Delegation told us that \$23 million in Arab interest-free loans had netted UNESCO \$2 million in bank interest which was not disclosed in the budget.

Geneva Group

The Permanent Delegation participates with other major donors in a forum called the Geneva Group on UNESCO who meet to exchange information and seek a consensus on financial, budgetary, and management issues involving the specialized agencies. The group has 12 members, with Sweden and Switzerland considered as observers, which collectively contribute over 60 percent of the UNESCO assessed budget.

We observed rising but guarded sentiment to restrain the rapid budget growth of the United Nations and its specialized agencies. As an example, although a U.S. proposal for a "no increase budget" for the 1981-83 triennium is said to have brought support from several countries at the 1978 General Conference, such support was not clearly evident in the action taken on the 1979-80 budget.

The sentiment toward budget austerity first appeared to gain momentum as the result of a French delegate proposal in June 1976 to place percentage limits on future budget increases. Although no action was taken on the proposal at the time, it nevertheless drew widespread support, and group members agreed to study the matter further. The UNESCO group became more active and, in its deliberations regarding the size of the 1979-80 budget, it considered the problem of dissuading the Secretariat from assumptions it made in preparing the budget to be too difficult to permit meaningful technical discussions. Concentrating instead on an absolute budget ceiling that all group members could support, the members reached a consensus that \$270 million was this maximum figure. The information was presented to the Director-General in February 1978, a month before the \$275.5 million draft budget was distributed--too late to have any real impact. Despite the difference in amount, the group felt it managed to hold the line to some extent.

Subsequently, because of the decline in the value of the dollar on the international money market during 1978, the Director-General proposed, and the Executive Board accepted, a revised budget estimate of \$303 million. No alternative member state proposals were submitted. At the General Conference, U.S. resistance to raise the budget figure to the \$303 million mark was not supported by the other members of the group. Although France, Italy, the Soviet Union, and several Eastern European countries abstained, the United States cast the lone vote against approving the proposed budget without an explanation. U.S. delegates were obviously disappointed by the lack

of support the United States received in resisting the budget increase. Conceivably, U.S. opposition to the increase would have generated stronger support if it had been accompanied by an explanation of those specific budget components considered to be objectionable.

U.S. BACKSTOPPING

The UNESCO directorate of the Bureau of International Organization Affairs is the focal point for U.S. evaluation of agency programs and for providing U.S. delegates with position papers which seek to reflect the consensus views of American interests. Although a staff of four professionals (reduced by two in the last year) does these functions, its attention to political problems has lessened its ability to monitor agency program activities. Given the size and complexity of the UNESCO programs, the short lead time available to prepare comments on the agency draft program documents after they are distributed, and the Bureau's small UNESCO staff, it may well be expecting too much for Bureau officials to be able to stay informed on agency activities in addition to providing comprehensive, definitive guidance on how the United States views them. Instead, U.S. efforts may be better spent identifying the existing national interests which can be served by UNESCO and devising strategies for incorporating them into the UNESCO program.

Program review

From what we observed, U.S. attention to UNESCO programming can be materially improved. Only limited program review is performed on the basis of information obtained informally by the Permanent Delegation before the draft program document is published. The more substantive evaluation occurs after it is distributed. The 1979-80 draft program document did not reach Bureau officials until mid-April 1978. Because it was slated for discussion at the agency Executive Board meeting only 3 weeks later, this was too late to perform any in-depth analysis on it. Nevertheless, the Bureau did obtain specific review comments and preliminary observations from the U.S. National Commission for UNESCO and from other segments of the Federal establishment on which to base the U.S. position papers presented to the Board in May 1978.

Because of the short timeframe available for review, it was impossible to set priorities or to critically assess the proposed program based on this publication. We believe priorities and alternative courses of action could and should

have been mapped out long before on the basis of the medium-term plan and current trends. To obtain the information necessary to be able to fashion realistic priorities, Bureau officials were drafting instructions at the time of our review for the resident Delegation containing reporting targets, guidelines for contacts with other delegations and Secretariat staff, etc.

Because of its size (a 100-member advisory body plus a Secretariat staff) and express function "to advise the Department of State on U.S. participation in UNESCO," the U.S. National Commission for UNESCO seems to be in the best position to make a continuing study of agency programs and to determine how U.S. interests are affected. Through its association with over 130 national voluntary organizations and its system of ad hoc task forces and permanent committees on key topics--one of which (Man and the Biosphere) has science participants represented in over 40 universities and 19 Federal agencies--the Commission has the capability to significantly help in defining American views and in developing strategies to be pursued in shaping UNESCO programs.

The Commission capacity for rendering effective program review is not being used to any significant extent. We found that only a small segment of the Commission membership was involved substantially in examining the organization's proposed program, preferring instead to seek participation in or to publicize its present or completed work. Disillusionment with the U.N. ability to provide miracle solutions to world problems appears to be at least partly responsible for a lack of commitment of some Commission members. Comments generated by the Commission on the draft 1979-80 program document tended to be very general and of dubious value. Among its comments on important program areas in the education sector, for example, the Commission said:

"It would appear to be advantageous to the U.S. to participate actively in UNESCO's planned studies on the structure and content of education during the last quarter of the twentieth century."

In the natural science sector, the Commission Committee on Science had to meet before the 1979-80 draft program and budget document was distributed to provide recommendations for use at the spring 1978 Executive Board. Thus, the committee was forced to rely on the superseded program document in formulating its advice. In other sectors, the ambiguous program document was cited as the reason for limited review effectiveness.

Attempts to broaden the base of U.S. participation in UNESCO programing have not been particularly successful. An organizational meeting for an interagency working group on UNESCO was held in the fall of 1977 to which more than 50 individuals representing all major UNESCO program areas were invited. No further meetings of the full working group have been held. Instead, subcommittees for major agency programs were established. One of these was science, the second largest and most rapidly growing sector which traditionally has been the area of greatest U.S. influence. This subcommittee, too, has met only one time although response was good, with 25 persons attending (14 representing offices other than the State Department) and with sentiment being strong for continued meetings.

For UNESCO programs in which there is an avowed U.S. interest, other committees have been established under Federal or private auspices to represent special interests. Increased reliance is being placed on these smaller, more specialized visits with Federal agency participation. In science, for example, such committees represent the fields of geology, hydrology, ecology, and oceanography. One U.S. observer, commenting on government participation, said that such committees are useful but cautioned that distorted priorities could result from (1) lack of sponsorship for those UNESCO program activities which do not fit into the intergovernmental council framework and (2) many such activities result in small technical assistance projects which, if not paid attention to early enough, could result in subsequent significant programs which the United States would be powerless to head off.

Other concerns

We noted some concern that UNESCO may be employing its established position of intellectual leadership in the social and physical sciences to "buy in" to ever-expanding study areas, leading to some duplication and superficiality of effort. Although U.S. officials identified several projects which they consider largely duplicative, and accorded them low priority in presentations made to the Secretariat, the projects remain in the program because of non-U.S. sponsorship and support. Techniques used by U.S. delegates to show their lack of enthusiasm for specific projects have included.

--suggesting cost-effective evaluations *
(the evaluations to consider what other
institutions or countries were doing
in the field);

--urging closer cooperation with other
U.N. agencies or institutions engaged
in the same or similar work; and

--recommending a narrower focus to concen-
trate resources where they would be used
more productively.

In addition, we found that there appears to be a gap between what programs promise to deliver and what they actually do deliver. For example, the education sector is the largest UNESCO program sector, accounting for about 40 percent of the regular budget and over 90 percent of its extrabudgetary resources. In preparations for the 1979 Year of the Child, the U.S. and Australian Executive Board members undertook a study of children's needs in developing countries and of the UNESCO approach to meeting them. They found that although UNESCO was well equipped to promote the interests of young children in terms of its mandate and programmatic scope, program execution was not as well organized. The following is excerpted from the report submitted to the Executive Board in September 1978:

"* * * it is possible to review the ten chapters of UNESCO's Medium-Term Plan for 1977-82, and in every one of them find possible applications to the needs of younger children in developing countries. But it is equally possible to see those needs omitted in the process of programme implementation or treated superficially.

"The first and overwhelming impression is that it is difficult if not impossible to find out precisely what UNESCO is doing for the young child.

* * * * *

"Nowhere during the recent eight-country visit to Africa in connection with this study was there any evidence of UNESCO involvement in pre-school education, although in at least two of the countries there was involvement on the part of UNICEF."

The report author's principal concern was that UNESCO's program preparations lacked a coherent strategy--a framework for planning and implementation.

U.S. delegates attending the 20th General Conference expressed a need for the United States to devote more attention to program planning, particularly at senior policy levels and in the development of strategies early enough in the UNESCO programming cycle to be able to have a good chance of getting them favorably considered. We believe that for this to happen, U.S. officials need to agree on the main program objectives and must have solicited the support of like-minded member countries in time for its proposals to UNESCO when future program documents are drafted.

In this connection, recent progress has been made with respect to obtaining improved consultation between the Secretariat and member states on the next program and budget. For the first time, the Secretariat is participating in an information group, composed of UNESCO member states which are also members of the Organization for Economic Cooperation and Development to discuss preparation of the 1981-83 program and budget. In doing so, U.S. delegation participation is based on detailed State Department instructions developed in conjunction with the National Commission and with other government agencies. These discussions, which commenced in early February 1979--or well in advance of any actual drafting of the 1981-83 budget--appear to us to be well-timed for member states to participate substantively in preparing the agency program and budget.

CONCLUSIONS

We believe the United States, by virtue of its pre-eminence in UNESCO fields of competence and being its leading financial supporter, can do more to exert a strong influence on agency program activities and their cost than what it is presently doing. To do so, however, its officials must first decide what American priority interests are and how they can best be promoted within the UNESCO framework; and then set about developing intermediate to long-range plans to attain the desired goals. We found that U.S. efforts in UNESCO in recent years have been directed more toward political concerns than with the agency programs. In addition, the United States has proposed fewer new initiatives and has become more concerned with restricting the agency's budget growth and number of programs. Regarding

U.S. participation in agency planning and budgeting, we found the following.

- Procedures for establishing current and explicit statements of U.S. program objectives and priorities in UNESCO were inadequate.
- The U.S. mechanisms established to coordinate and oversee agency program activities were not sufficiently active or committed in purpose to assure that American interests were clearly defined and communicated to UNESCO in a timely manner.
- U.S. budget and program review capabilities did not permit adequate analysis of agency financial management practices or new issue areas.
- U.S. officials responsible for reviewing agency activities and representing American interest in UNESCO were handicapped by difficulty in obtaining definitive and timely program and budget data from the Secretariat.
- The effectiveness of U.S. representation at UNESCO meetings and conferences was reduced because of frequent turnover and inadequate time allowed to prepare inexperienced delegates for their assignments.

The preparation of departmental annual policy reviews, strengthened coordination and Executive Board representation, and earlier Secretariat member state consultation on the program and budget should permit more effective U.S. participation in agency programming. We believe that similar improvements could permit the United States to strengthen its participation in program planning and execution in other agencies as well.

RECOMMENDATIONS

We urge that attention be given to developing and submitting, on a timely basis, the program suggestions the UNESCO Director-General requested for the next budget and medium-term plan. In this connection, and to permit a stronger participatory role for the United States in UNESCO programming and budgeting, we believe that the Secretary of State should establish a program policy which includes

- development of long-range strategies based on expressions of broad-based interest and support, consistent with overall U.S. foreign policy objectives;
- balancing new U.S. program initiatives against the concern that their cost would increase the budget and gearing planning efforts so proposals become submitted early enough to receive serious Secretariat staff attention at the time the plan and budget are drafted;
- more attention on identifying questionable projects and promoting those likely to have significant impact but which do not overlap the work of other agencies;
- positioning a budget expert to assist U.S. resident staffs at UNESCO and other European-based U.N. agencies in defining the resources needed to implement their proposed programs; and
- appointing General Conference delegates with not less than 6-months notice to allow adequate time to prepare for their assignments.

AGENCY COMMENTS

State Department officials representing the Bureau of International Organization Affairs responded to our invitation to comment on and discuss the draft report. (See app. I.) Bureau officials said the report was fair and accurate and would help them in their work with UNESCO. The report has been revised to reflect their observations and corrections. The discussions which ensued following the issuance of our draft report resulted in suggestions which we believe were mutually beneficial.



ASSISTANT SECRETARY OF STATE
WASHINGTON, D.C. 20520

March 9, 1979

Dear Mr. Fasick:

On behalf of the Secretary, I would like to respond to your invitation to comment on your draft report to the Congress concerning U.S. involvement in UNESCO programming and budgeting. We appreciate the extra days which your staff granted us in which to provide our written comments and the opportunity to discuss the report in a very useful meeting on March 2nd.

We would like to commend the report for its fairness, accuracy and perceptivity. We are confident that the report will help us to strengthen our performance in UNESCO. We particularly appreciate the report's constructive proposals for corrective measures and would have wished for more such suggestions.

Our comments, reflecting contributions from the U.S. Permanent Delegation in Paris and the Secretariat of the U.S. National Commission for UNESCO, are set forth in the enclosure, which is divided into three sections: first, general observations; second, our views on specific, major issues raised by the report; and finally, detailed points regarding factual errors, differences of interpretation and the like.

We would appreciate it if the enclosure were treated as a restricted document. At the same time, of course, we would hope that our comments will be fully reflected in the redrafted report.

Sincerely

Charles William Maynes
Bureau of International
Organization Affairs

Enclosure

Mr. J. K. Fasick, Director,
International Division,
United States General Accounting Office.

Medium-Term Plan

Synoptic table: problems, objectives and resource indications (1977-1982)

Problems	Objectives	% of budget 1977-1979	Average annual % growth 1976
I. Assurance of human rights	1.1 Respect for human rights	0.84	17.67
	1.2 Appreciation and respect for cultural identity	4.73	7.00
	1.3 Status of women	9.37	14.00
	1.4 Aid to refugees and national liberation movements	2.63	0.00
	1.5 Education and information concerning human rights	0.39	13.98
	PARTIAL TOTAL	19.18	(7.18)
II. Reinforcement of peace	2.1 Peace research	0.34	17.67
	2.2 Study of the role of international law	0.36	0.00
	2.3 Education and information aimed at furthering peace and international understanding	0.54	14.00
	PARTIAL TOTAL	1.33	(13.14)
III. Man as the centre of development	3.1 Formulation of a global interpretation of development	0.62	15.93
	3.2 Study of socio-cultural conditions likely to foster endogenous, diversified development processes	6.29	25.16
	3.3 Infrastructures and programmes in the social sciences	2.82	7.00
	3.4 Tools and methods of socio-economic analysis	0.76	0.00
	3.5 Participation in cultural life	3.70	6.00
	3.6 Artistic and intellectual creativity	1.54	0.00
PARTIAL TOTAL	19.73	(6.32)	
IV. The application of science and technology for man and society	4.1 Interactions between science and society	0.36	14.00
	4.2 Policies in the fields of science and technology	1.93	11.00
	4.3 Scientific and technological research and training	9.39	6.00
	4.4 General science and technology education	2.85	7.00
PARTIAL TOTAL	13.75	(7.29)	
V. Educational action in response to individual and social requirements in the context of lifelong education and within the framework of economic, social and cultural development	5.1 Educational policies	9.15	4.50
	5.2 Educational administration	1.48	8.99
	5.3 Educational structures	1.31	9.00
	5.4 Educational content, methods and techniques	6.70	6.00
	5.5 Training of educational personnel	2.87	7.00
	5.6 Adult education	1.44	8.99
	5.7 Role of higher education in society	2.23	6.99
PARTIAL TOTAL	25.40	(6.21)	

Problems	Objective	% of budget 1975-1976	Average benefit growth rate
VI. Quantitative and qualitative improvement in the opportunities for certain groups to achieve their industrial and social potential	6.1 Struggle against illiteracy	5.09	6.00
	6.2 Integrated rural development	1.85	8.99
	6.3 Participation of women in development	0.78	13.99
	6.4 Role of youth in educational, social and cultural activity	1.19	0.0
	6.5 Concerted approaches to the problems of social disharmony	0.35	13.96
	PARTIAL TOTAL	9.25	(6.92)
VII. Man and his environment	7.1 Knowledge of mineral and energy resources	2.31	9.00
	7.2 Knowledge of terrestrial biological resources	2.35	9.00
	7.3 Knowledge of water resources	2.15	9.00
	7.4 Knowledge of ocean and coastal marine systems	3.66	9.00
	7.5 Interrelationship between the environment and the 'design for living' in human settlements	0.75	14.02
	7.6 Preservation and presentation of the cultural and natural heritage	4.00	7.00
	7.7 Education and information relating to the environment	0.65	14.00
	PARTIAL TOTAL	15.96	(8.96)
VIII. Population	8.1 Knowledge relating to population phenomena	0.73	0.0
	PARTIAL TOTAL	0.73	(0.0)
IX. Communication between persons and between persons	9.1 Flow of information and international exchanges	0.90	6.00
	9.2 Copyright	0.92	3.40
	9.3 Process and role of communication	0.77	0.0
	9.4 Policies, infrastructures and training in the field of communication	3.03	6.00
	PARTIAL TOTAL	5.62	(4.80)
X. Transfer and exchanges of information	10.1 Information systems and services	6.38	6.00
	10.2 Analysis of statistical data and international comparability	2.67	2.00
	PARTIAL TOTAL	9.05	(4.85)
	TOTAL	100.00	(6.83)

Single copies of GAO reports are available free of charge. Requests (except by Members of Congress) for additional quantities should be accompanied by payment of \$1.00 per copy.

Requests for single copies (without charge) should be sent to:

U.S. General Accounting Office
Distribution Section, Room 1518
441 G Street, NW.
Washington, DC 20548

Requests for multiple copies should be sent with checks or money orders to:

U.S. General Accounting Office
Distribution Section
P.O. Box 1020
Washington, DC 20013

Checks or money orders should be made payable to the U.S. General Accounting Office. NOTE: Stamps or Superintendent of Documents coupons will not be accepted.

PLEASE DO NOT SEND CASH

To expedite filling your order, use the report number and date in the lower right corner of the front cover.

GAO reports are now available on microfiche. If such copies will meet your needs, be sure to specify that you want microfiche copies.