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BY THE COMPTROLLER GENERAL



# Report To The Congress OF THE UNITED STATES

## U.S. Participation In International Organizations: An Update

U.S. participation in international organizations should be better managed. Since our last review the President and the Secretary of State have attempted to improve the direction and coordination of U.S. policy as well as to promote reform of the U.N. system. If properly carried out, these actions should improve U.S. participation.

The Department of State needs to develop innovative approaches for recruiting qualified Americans for employment with the United Nations.



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

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

This report discusses the progress made since our last review in improving the management of U.S. participation in international organizations and the problems that remain.

We are sending copies of this report to the Director, Office of Management and Budget; the Secretary of State; and the appropriate congressional committees.

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

Comptroller General  
of the United States

D I G E S T

In a number of reviews since 1969, GAO has concluded that the United States lacks objectives for its participation in international organizations, that the benefits the United States derives from participating in such organizations are uncertain, and that the systematic assessment of such groups' performance has been lacking.

This report examines progress made in implementing the recommendations in GAO's June 1977 report, "U.S. Participation in International Organizations," and points out problems that remain

- in improving the management of U.S. participation, including the recruiting of qualified Americans for U.N. employment and
- in U.S. proposals for reforming and restructuring the U.N. system, including improvements in financial management and evaluations.

MANAGING U.S. PARTICIPATION

The United States is the largest financial contributor to the United Nations. The estimated fiscal year 1979 U.S. assessment for the United Nations and its specialized agencies is over \$273 million (about 24 percent of the total assessed budget). Contributions to voluntary programs are estimated at another \$372 million (about 26 percent of all contributions).

In its June 1977 report, GAO pointed out the problem of inadequate leadership and the diffusion of responsibility and authority in executive branch activities relating to U.S. participation in international organizations. That report recommended that by Executive order the President

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- reaffirm the importance and high priority he accords to U.S. participation in the United Nations,
- charge the Secretary of State with the responsibility for formulating and directing U.S. policy for participating in such organizations, and
- direct that a Cabinet-level advisory committee be established to assist the Secretary of State in carrying out his responsibilities.

The State Department views the subcommittee on the developmental programs and budgets of international organizations of the Development Coordination Committee as an appropriate alternative to the cabinet-level advisory committee GAO recommended. In its first year of operation, the subcommittee has not emerged as a major force in developing and coordinating U.S. economic assistance goals concerning the United Nations and its affiliated agencies. GAO believes, however, that the subcommittee has the potential for helping to accomplish the intent of the 1977 GAO recommendation.

In mid-July 1979, the President created a new agency, known as the International Development Cooperation Agency, to coordinate foreign policy assistance activities. The Agency is to serve as a focal point within the U.S. Government for all economic assistance affecting U.S. relations with developing countries, including responsibility for budget support and policy concerning U.S. participation in those programs of the United Nations whose purpose is primarily developmental.

In GAO's opinion, the new International Development Cooperation Agency and its Director offer greater promise than past arrangements for relevant decisionmaking and increased U.S. ability to coordinate foreign development activities. It addresses many of the problems identified in prior GAO reports on the executive

branch inability to manage U.S. participation in the United Nations and its affiliated agencies.

The reorganization appears to give a single U.S. official the responsibility for directing U.S. development policy in international organizations and the authority to ensure that various U.S. programs affecting development are consistent with each other or complement the programs of the multilateral organizations to which the U.S. contributes. (See pp. 9 through 12.)

STATE DEPARTMENT EFFORTS TO IMPROVE  
MANAGEMENT OF U.S. PARTICIPATION

In addition to recommendations to the President, GAO made a number of recommendations to the Secretary of State designed to strengthen management of U.S. participation. The executive branch has undertaken some initiatives which, if properly carried out, could help improve the management of U.S. participation. These initiatives include establishing a new policy management process at the Department of State Bureau of International Organization Affairs and some added State Department capability to review the programs and budgets of international organizations.

GAO found that the attention paid to developing the policy management process was faltering. Attempts to improve U.S. participation appear potentially useful but need to be fully explored. The Secretary of State should continue to strengthen these efforts and, if they are deemed to be effective, expand the process to include additional international organizations in which the United States participates. The Secretary should coordinate these policy management process efforts with the Director of the International Development Cooperation Agency so that consideration can be given to both bilateral and multilateral development efforts at the policy and implementation levels. (See pp. 18.)

The executive branch should systematically review the programs and budgets of the United Nations and its specialized agencies. The State Department has often been unable to effect a strong, consolidated U.S. position in international organizations because it lacked the necessary knowledge concerning programs and budgets.

GAO recommends that the Secretary, in consultation with the Director of the International Development Cooperation Agency, plan to devote the necessary resources needed to ensure an increased capability to deal with the United Nations and its affiliated agencies' programs and budgets. (See p. 19.)

MORE SHOULD BE DONE TO RECRUIT  
QUALIFIED AMERICANS FOR U.N. EMPLOYMENT

With some exceptions, State Department activities are limited to reacting to announced vacancies in U.N. organizations and then trying to find qualified American candidates for announced positions. GAO believes that U.S. interests can be advanced by improving the quality of professional management staffs in the U.N. system. The State Department should develop a strategy of recruiting qualified American candidates for vacant positions. It should advise the appropriate committees of the Congress that the U.S. policy will be to determine employment goals for each U.N. organization and that it will develop a strategy for recruiting qualified candidates and push for their employment in the appropriate forums. (See pp. 23 and 24.)

REFORM AND EVALUATION  
IN THE U.N. SYSTEM

The President's March 1978 report to the Congress on reform and restructuring of the U.N. system made a number of recommendations for strengthening the system, especially in the economic and social sectors. The need to strengthen these areas has long been recognized, but actual progress has been slow. The State Department needs to participate aggressively in translating these concerns into

positive U.N. actions. The Secretary should, in concert with other like-minded countries, undertake to convince appropriate bodies in the U.N. system of the need to continue the reform efforts and to aggressively raise those issues identified in the President's report on U.N. bodies. (See pp. 26 and 27.)

#### EVALUATIONS

Over the years, GAO identified a need to strengthen the evaluation system in the United Nations so that member governments could be informed of how well the organizations used resources and whether they were accomplishing approved objectives.

Although interest in strengthening both the Joint Inspection Unit and the U.N. Board of Auditors seems to be increasing, greater efforts are needed. (See pp. 27 through 29.)

In a separate review, GAO is examining U.S. efforts to improve internal and external auditing, including evaluation in the U.N. system.

#### AGENCY COMMENTS

The contents of this report were discussed with Department of State officials and their views are recognized in appropriate sections of the report.



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## ABBREVIATIONS

AID	Agency for International Development
DCC	Development Coordination Committee
FAO	Food and Agriculture Organization
GAO	General Accounting Office
IDCA	International Development Cooperation Agency
ILO	International Labor Organization
JIU	United Nations Joint Inspection Unit
OMB	Office of Management and Budget
U.N.	United Nations
UNDP	United Nations Development Program
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations International Children's Emergency Fund
WHO	World Health Organization

## CHAPTER 1

### INTRODUCTION AND OVERVIEW

We have long been involved in assessing the management of U.S. participation in international organizations. Our past reviews of U.S. Government activities concerned with international organizations in the United Nations (U.N.) system have focused on the premise that, if better prepared, the United States could encourage improvements in these organizations.

This report examines the progress that the State Department has made in implementing the recommendations of our report to the Congress, "U.S. Participation in International Organizations," (ID-77-36, June 1977). We reviewed improvements at the State Department and U.S. Government management of its participation in the U.N. system (excluding the World Bank). These improvements included changes in State Department procedures and U.S. Government coordinating mechanisms; the possible effects of the President's Reorganization Plan No. 2 on managing U.S. participation in international organizations; the employment of Americans in U.N. organizations; and U.S. attempts to initiate reforms to improve U.N. budgeting, programing, and financial management, including evaluations.

The June 1977 report summarized the overall conclusions and recommendations made in our previous reports. <sup>1/</sup> (See app. I.) The report also addressed the broader issues of U.N. efforts toward restructured and improved budgeting, programing, and evaluation procedures; the State Department organization which manages U.S. participation; and the U.N. development program concept of centralized planning.

### BACKGROUND

Most U.N. work, measured in terms of money and personnel, goes into the varied programs aimed at achieving a better life

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<sup>1/</sup>"Need for U.S. Objectives in the International Labor Organization," (ID-77-12, May 16, 1977).

"The U.S. Should Play a Greater Role in the Food and Agriculture Organization of the United Nations," (ID-77-13, May 16, 1977).

"The World Food Program--How the U.S. Can Help Improve It," (ID-77-16, May 16, 1977).

"U.S. Participation in the World Health Organization Still Needs Improvement," (ID-77-15, May 16, 1977).

"Greater U.S. Government Efforts Needed to Recruit Qualified Candidates for Employment by U.N. Organizations," (ID-77-14, May 16, 1977).

for all people of the world. The United Nations has greatly expanded its activities both economically and socially since its early years. To help governments lay a foundation for economic and social growth, the United Nations offers assistance through a variety of international organizations. The U.S. Government participates in many of these organizations.

First, is the United Nations and its main organizations, which includes the General Assembly, the Security Council, the Economic and Social Council, the Secretariat, the World Court, and the Trusteeship Council. Second, are agencies created under immediate U.N. auspices, including the Children's Fund and the United Nations Development Program (UNDP).

In a third category are the specialized agencies associated with, but administratively independent of, the United Nations. These agencies include the Food and Agriculture Organization (FAO), the World Health Organization (WHO), the World Bank, the International Labor Organization (ILO), and the United Nations Educational, Scientific and Cultural Organization (UNESCO).

Although the U.N. system is diverse, it is possible to discuss U.S. participation in broad U.N. terms. One generalization that can be made concerns the growth of U.N. budgets. The growth in expenditures by the United Nations and its specialized agencies can be exhibited by the fact that the 1979 budget at \$1.1 billion, is about 28 percent of the first 25 years of operations--\$3.9 billion. Voluntary program expenditures reflect the same trend. Estimated at \$1.4 billion for 1979, these program costs totaled \$4.5 billion for the years 1946-70.

#### U.S. STAKE

In transmitting his proposals to the Congress on March 2, 1978, for reforming and restructuring the U.N. system, the President affirmed the U.S. commitment to support the United Nations, stating that

"The United States will make the fullest possible use of the United Nations to assist in solving the many political, economic, legal and humanitarian problems that press upon the international community."

The United States continues to be the largest single contributor to the United Nations. The following table shows U.S. contributions for assessed budgets and voluntary programs in the U.N. system for the past 3 years. Unlike the

development banks, however, voting power within the organization is not weighted according to financial contributions.

<u>U.S. contributions</u>	<u>1977</u>	1978 (note a)	1979 (note a)
	----- (millions) -----		
Assessed Budgets (U.N. and specialized agencies)	\$230.1	\$249.0	\$273.0
Voluntary programs	322.7	345.5	372.5

Note a: Estimated.

Source: Department of State, Bureau of International Organization Affairs.

It is recognized that the international character of most important issues today requires attention by one or many multilateral instruments. Further, it is in the interest of all these organizations to be truly multilateral, not controlled by one or a few countries. Nevertheless, the United States should effectively communicate its beliefs and objectives for a positive impact on future world development.

The Murphy Commission on the Organization of the Government for the Conduct of Foreign Policy concluded that an objective review by the Congress of the work of international organizations should form the major basis for U.S. support of those organizations. Although written in 1975, that conclusion remains valid today. The need for adequate accounting of international programs and for better information on the effectiveness of international organizations increases as the roles of these organizations increase.

U.S. participation in the United Nations and its specialized agencies is the responsibility of the Secretary of State. This responsibility--carried out primarily through the Bureau of International Organization Affairs--includes planning, managing, and implementing U.S. policies and coordinating technical positions throughout the Government for international organizations. The Secretary appoints U.S. delegations to the governing body of each specialized agency and determines how participation in the organizations can best serve U.S. interests.

Liaison activities with the United Nations and its specialized agencies are carried out through these seven U.S. missions: the United Nations in New York City; International

Organizations in Geneva, Switzerland, and Vienna, Austria; UNESCO in Paris, France; FAO in Rome, Italy; the International Civil Aviation Organization in Montreal, Canada; and the U.N. Environment Program in Nairobi, Kenya.

The tools necessary to exert a positive influence seem to revolve around three concepts which are analogous to Secretary of State responsibilities.

1. The United States must possess the knowledge for effective participation. This entails having sufficient expertise in the Government to define priorities and perform adequate analyses of U.S. goals and objectives through the international organizations.
2. An effective mechanism must exist to coordinate and consolidate this information.
3. U.S. positions must be adequately presented to the organizations through State Department personnel or conference delegates.

All three areas require priority attention. In evaluating the progress made in improving management of U.S. participation in international organizations, we have noted effective changes in the U.N. system which occurred as a result of U.S. initiative.

#### SCOPE

This review examined changes in the policies and procedures for the management of U.S. participation in the U.N. system made since our June 1977 report. We concentrated our study at the Department of State and its Bureau of International Organization Affairs, and other executive agencies in Washington, D.C., having major responsibilities for U.S. participation in U.N. organizations. We also worked with U.S. Missions to the United Nations in New York and the U.N. specialized agencies in Rome, Italy, and Geneva, Switzerland. In addition, we benefited from informal discussions with representatives from other major donor countries and officials of several U.N. organizations.

We did not obtain written agency comments on this report but did discuss it with key Department of State officials. These officials were generally receptive to the conclusions and recommendations except where noted in the report.

## CHAPTER 2

### PROBLEMS AND PROGRESS IN STRENGTHENING

#### MANAGEMENT OF U.S. PARTICIPATION

Since 1969 we have concluded in a number of reviews that systematic assessment of multilateral institutions, U.S. benefits from these institutions, and U.S. objectives, have been inadequate. In our June 1977 report, we stated that there was a continuing need for the executive branch to improve these aspects of U.S. foreign affairs. We recommended a series of specific proposals aimed at developing U.S. policy objectives and improving the review and coordination of U.S. participation in international organizations. The following discussion of implementation of those recommendations also includes other efforts by the executive branch to correct long-standing problems of international development-related activities.

#### PRESIDENTIAL ORDER NOT ISSUED BUT OTHER ACTIONS TAKEN

We recommended that the President issue an order to (1) reaffirm the high priority that he accords to U.S. participation in U.N. organizations, (2) charge the Secretary of State with the responsibility of managing and directing U.S. policy for participating in these organizations, and (3) direct that a Cabinet-level advisory committee be established to assist the Secretary of State.

In its reply to our 1977 report, the Office of Management and Budget (OMB) agreed that it was necessary for the President to reaffirm his views on appropriate U.S. participation in U.N. organizations. The OMB reply cited several examples where this had occurred and the President's intention to continue to comment on the U.N. role in American foreign policy on appropriate future occasions. Since our 1977 report, the President has continued to voice support for the U.N. system.

OMB and the State Department further agreed that earlier statements about Secretary of State responsibilities relating to U.S. participation in international organizations and conferences should be supported. In response to our recommendation, OMB stated that it was working with the State Department to develop proposals to further strengthen, either by Executive order or other appropriate instruments, the responsibility of the Secretary of State in formulating

and directing U.S. policy with respect to international organizations. At that time, the State Department replied that, in accordance with our recommendation, the Department had moved to obtain a Presidential directive to formulate effective foreign policy as related to U.S. participation in international organizations. These actions were to reinforce Presidential memorandums, issued March 15, 1966, and January 8, 1970, which made the Secretary of State responsible for coordinating executive branch agencies' activities.

We made the recommendation because we believed that the issuance of a Presidential directive would be important in solving a long-recognized critical weakness in the U.S. Government's capacity for conducting multilateral diplomacy. The problem involves inadequate advance planning and a fragmented executive branch effort in dealing with international organizations. We believe a Presidential directive would strengthen the Department role in handling relations of those different agencies concerned with international organizations.

As of June 1979, the State Department had not forwarded any policy statement, directive, or order to the President for consideration and had no plan to do so. During our review, however, the President forwarded a reorganization plan to the Congress on April 10, 1979, to improve the effectiveness of U.S. foreign developmental activities. It addresses many of those problems identified in our prior reports which had led us to our recommendation to the President in our June 1977 report (ID-77-36). The reorganization took effect in mid-July 1979.

As part of the Presidential directive, we also recommended that, to achieve a high-level coordinated approach in the executive branch to the management of U.S. participation in international organizations, a Cabinet-level advisory committee be established to assist the Secretary of State in carrying out his responsibilities. At the time we made the recommendation, we stated that the advisory committee should be chaired by the Secretary of State and include the Ambassador to the United Nations and the head of each executive branch agency having a major role in international organization affairs. Such top-level attention, in our view, would provide the type of policy guidance and direction needed for broad support and would also consider the increasingly important relationship of foreign and domestic policy. The Cabinet committee would provide overall policy guidance to the Secretary of State in the development and implementation of procedures. Without the committee, major decisions regarding priorities and resource allocation would not reflect an integrated executive branch position which is so essential for effective U.S. policy.



At the time of our June 1977 report, OMB responded that such a high-level committee would be unable to devote the necessary time and attention to consider the diverse issues that arise from U.S. participation in over 40 international organizations and, at best, could establish only the broad framework for U.S. actions in those organizations. The Secretary of State responded that it was not appropriate to expect Cabinet-level officers, given the demands on their time, to devote the attention required to make such a committee effective. We continued to believe that the rationale for establishing a Cabinet-level advisory committee was valid.

As an alternative, both agencies offered the establishment of a committee at the Assistant Secretary level--chaired by the Assistant Secretary of State for International Organization Affairs--as an interagency advisory committee on specific issues and strategies affecting U.S. policy toward the respective organizations. It was argued that such an arrangement would not preclude Cabinet-level involvement. At the time of our latest review, the State Department viewed the Subcommittee on the Developmental Programs and Budgets of International Organizations of the Development Coordination Committee (DCC) as an appropriate alternative to our recommendation. This subcommittee is chaired by the Assistant Secretary of State for International Organization Affairs.

DEVELOPMENT COORDINATION COMMITTEE  
SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS

In May 1978 the President announced the formation of an expanded DCC to assist the Administrator of the Agency for International Development (AID) in his role as the principal advisor to the President and the Secretary of State on development programs and policy. The committee was established with five subcommittees. Of particular relevance to this review is the Subcommittee on the Developmental Programs and Budgets of International Organizations, chaired by the Assistant Secretary of State for International Organization Affairs, and responsible for assessed and voluntary contributions. Those international financial organizations under the jurisdiction of the Treasury Department are excluded from subcommittee jurisdiction. Representation on the subcommittee includes the Departments of State, Transportation, Commerce, the Interior, Labor, Housing and Urban Development, Health, Education, and Welfare, Energy, the Treasury and Agriculture; OMB; AID; Environmental Protection Agency; and the National Security Council.

As a major activity, the subcommittee is to review programs the Bureau proposes. In finalizing such programs, the Bureau considers subcommittee views on development activities. The Bureau does not, however, seek a consensus in the subcommittee before finalizing the programs. (See ch. 3 for a detailed discussion of programs.)

The Assistant Secretary of State has emphasized that the subcommittee is an advisory body directly responsible only for developmental activities. He has stated that overall responsibility for U.S. participation in international organizations and programs would remain in the Department of State, but that other interested U.S. agencies would be more closely involved than in the past. The subcommittee helps prepare the AID Administrator's annual policy statement and will review the statement as a basis for implementing developmental policy. The subcommittee also determines the total developmental effort of multilateral agencies, clarifies budget responsibility for multilateral developmental activities, and finds a means to assess the impact of multilateral developmental assistance.

At the initial meeting of the subcommittee on June 2, 1978, the participants agreed to a proposal made by the Assistant Secretary to assume responsibility for international food and agriculture matters in a new interagency policy committee for international relations to be chaired by State. A working group of that committee would be chaired by Agriculture. This working group--officially known as the Interagency Working Group for International Organizations in Food and Agriculture--includes representatives primarily from Agriculture, State, and AID, but other agencies will be included when matters being discussed interest them. The working group is responsible for policy development concerning

- food and agricultural organizations,
- program and budget reviews,
- nomination of delegations to conferences,
- preparation of position papers, and
- other activities.

This reorganization was taken as a result of an exchange of correspondence between the Secretaries of Agriculture and State in April and May 1978, concerning the abolishment of the FAO Interagency Committee and the establishment of the

Interagency Policy Committee. The Secretary of Agriculture believed that the FAO Interagency Committee was outdated because considerable change and development had occurred in FAO over the years and additional institutions had been established. He stated that the policy committee would ensure that the U.S. food and agriculture policy for all international organizations is consistent, and that the programs of these organizations are complementary.

Between June 1978 and June 1979, the subcommittee on international organizations held five meetings. Our discussions with some officials from agencies represented on the subcommittee indicate that they believe the subcommittee is well organized and that they expect a variety of multilateral developmental problems to be explored. These officials believe an opportunity exists for enhancing interagency communication--both formally and informally. Subcommittee members believe they will have the opportunity to influence policies formulated in the State Department International Organization Affairs Bureau.

There is, of course, some concern that the efforts of the subcommittee will not solve problems endemic to U.S. developmental coordination efforts of the past, such as the duplication of effort, interagency rivalry, and the failure to determine priorities for assessed and voluntary contributions. The question remains about whether the Assistant Secretary of State has sufficient authority and command of resources to effectively coordinate U.S. efforts in multilateral affairs. A major problem in past coordination efforts centered around the State Department's inability to convincingly lead U.S. participation in international organizations.

The creation of the subcommittee represents an initiative designed to help the Bureau improve its capacity to deal with international organizations. The subcommittee can also potentially improve the coordination of the different executive agencies which participate in these organizations. The mere existence of this group, however, does not assure such results.

#### PRESIDENT'S REORGANIZATION PLAN

During our review, President Carter forwarded Reorganization Plan No. 2 to the Congress which was designed to consolidate certain U.S. foreign assistance activities. One purpose of the reorganization--which will become operational July 1, 1980, or sooner as the President specifies--

is to improve the effectiveness of U.S. foreign developmental activities. In his proposal, the President noted several problems which we have frequently identified in our reports. He stated that U.S. support of international development suffered from four major problems.

"First, no single U.S. official was charged with responsibility for establishing a comprehensive and coherent strategy for our Nation's efforts in this field. Second, no agency or official had the authority to ensure that the various U.S. programs affecting development were consistent with each other or complemented the programs of the multilateral organizations to which we contribute. Third, none of the agency heads testifying before the Congress about his particular portion of our foreign assistance efforts was able to speak authoritatively for the program as a whole or for the Administration's overall development policies and priorities. Finally, because there was no authoritative spokesperson, developmental concerns were at times accorded insufficient weight in executive branch decisionmaking on trade, monetary, and other non-aid economic issues that affect developing nations."

The President's reorganization created a new agency called the International Development Cooperation Agency (IDCA). It was created to serve as a focal point within the U.S. Government for all economic assistance matters affecting U.S. relations with developing countries. Subject to guidance from the Secretary of State concerning the foreign policy of the United States, the IDCA Director will be the principal international development advisor to the President and the Secretary of State and will chair the DCC. This Presidential connection could be a major source of IDCA authority in such matters of development coordination and policy.

The IDCA Director will have responsibility for budget support and policy for U.S. participation in those organizations and for programs of the United Nations and the Organization of American States whose purpose is primarily developmental. These organizations are UNDP, United Nations International Children's Emergency Fund, the Organization of American States Technical Assistance Funds, the U.N. Capital Development Fund, the U.N. Educational and Training Program for Southern Africa, the FAO World Food Program, the FAO Post-Harvest Losses Fund, and the U.N. Disaster Relief Organization.

The IDCA Director will exercise this responsibility by determining U.S. policies for specified international organizations and programs, and by determining the budget request levels for those specified U.S. voluntary contributions subject to the foreign policy guidance of the Secretary of State. The Director will have final responsibility for recommending to the Secretary of State the membership and composition of U.S. delegations to governing bodies and other special and/or periodic meetings of those specified international organizations named in the President's reorganization decision. He will also have the final authority to instruct these delegations.

Based on the IDCA Director's policy, and in consultation with IDCA staff, the International Organization Affairs Bureau will continue to represent U.S. interests in international organizations. The purpose of these arrangements is to ensure that the IDCA Director is able to provide policy direction to U.S. activities in support of the specified international organizations and programs whose purpose is primarily developmental, while freeing him from responsibility for daily management and operations, and avoiding inconsistencies between U.S. positions on developmental and nondevelopmental issues in international organizations. Although no mention is made of U.N. specialized agency programs not funded by UNDP, it appears that the development of U.S. policy as well as the day-to-day management and budgetary responsibility of U.S. participation in these organizations remains in the State Department.

After consultation with the Secretary of State, the IDCA Director will also prepare a "comprehensive foreign assistance budget" for submission to OMB. As we understand it, the IDCA Director's role with respect to non-IDCA budgets will be to comment on agency budget submissions to OMB and to the President. He will also defend the overall foreign assistance budget before the Congress. This arrangement should provide him an opportunity to influence non-IDCA budget decisions while leaving basic budget authority in the responsible agencies and OMB.

The Director of IDCA, as the new chairman of the DCC will prepare an annual assistance policy statement designed to integrate the different types of assistance and non-assistance policies affecting developing countries. In effect, this statement is intended to be a kind of annual development strategy statement. The statement is to be reviewed by the Policy Review Committee of the National Security Council and approved by the President. This

responsibility could be a potential source of authority for IDCA, providing it with a means for measuring agency performance and for coordinating agency policies and programs.

### CONCLUSION

It appears that the DCC subcommittee is being used to stimulate discussion among interested agencies of major issues. It seems that the committee has the potential of initiating policy in reviews of U.S. participation in international organizations. In its first year of operation, the subcommittee had not emerged as a major force in developing or coordinating U.S. economic assistance goals. It has been a focal point for ad hoc bargaining among interested agencies. We believe that it has the potential of helping accomplish the intent of our June 1977 recommendation to establish a Cabinet-level advisory committee.

Further, the new Agency created by the President offers opportunities for increased coordination and centralized direction in managing U.S. participation in those organizations which are primarily engaged in developmental activities. We believe the new organization, IDCA, and its Director, offers greater promise than past arrangements for relevant decisionmaking and for increased ability to coordinate U.S. foreign development activities. The proposal addresses many problems identified in our prior reports on the inability of the executive branch to manage U.S. participation in the United Nations and its affiliated agencies. The reorganization proposal appears to address the intent of our recommendation which (1) charges a single U.S. official with the responsibility for directing U.S. development policy in international organizations and (2) ensures that the official has the authority to ensure that various U.S. programs affecting development were consistent with each other or complemented the programs of the multilateral organizations to which the United States contributes.

### CHAPTER 3

#### STATE DEPARTMENT EFFORTS TO IMPROVE

##### MANAGEMENT OF U.S. PARTICIPATION

We made several recommendations to the Secretary of State in our June 1977 report (ID-77-36), which were designed to strengthen the management of U.S. participation in international organizations. We urged the Secretary, for example, to (1) establish priorities for all restructuring, programing, and budget issues and problem areas which were identified but not resolved and (2) monitor the progress made in attaining stated objectives. Further, we urged that State and other agencies could, as part of yearly congressional budget presentations, include specific statements listing what the Government hopes to accomplish through participation in each organization. We believed that this action would help provide the Congress with a more systematic method of annually evaluating the progress of these U.N. organizations.

These recommendations had not been implemented at the time of our review. Organizational problems in direction and guidance still exist, as evidenced by the continued inability of the State Department to develop adequate U.S. policy and objective statements and by continuing problems of reviewing U.N. programs and budgets.

There are, however, some initiatives underway in the executive branch which, if properly carried out, could help improve the management of U.S. participation and could accomplish the intent of our June 1977 recommendations. These initiatives include development of a new policy management process at the Bureau of International Organization Affairs and some added State Department capability to review the programs and budgets of international organizations. In addition, and perhaps most important, the President's reorganization plan proposes to address some of the above mentioned problems of direction and guidance in U.S. foreign assistance activities. (See ch. 2.) Although it is too early to judge just how the reorganization proposal affects on the State Department management of U.S. participation in the U.N. affiliated agencies, the proposal at least promises to provide the framework for much better coordination within the executive branch.

## POLICY MANAGEMENT PROCESS

In March 1978 the Bureau of International Organization Affairs created a new policy management staff to initiate procedures to help

- monitor U.S. participation in international organizations and programs to identify and analyze issues and related U.S. interests from the central perspective of the Secretary of State acting on behalf of the President;
- elicit the most effective involvement of the different executive branch agencies concerned with international organizations and programs;
- assure that U.S. multilateral policy objectives are clearly identified, coordinated within the executive branch, and integrated within the context of overall U.S. foreign policy goals;
- exercise greater influence in the international agencies by ensuring that the State Department is better prepared on a more comprehensive and timely basis;
- consider U.S. participation in international organizations and programs in a longer term and broader perspective and overcome currently too frequent tendencies to prepare for each meeting on a crash basis, as an isolated event; and
- establish benchmarks against which U.S. participation can be evaluated.

Under this process the Bureau would continue to depend on other executive agencies for developing most of the substantive technical input. The Bureau, however, plans to develop the capacity for monitoring U.S. participation in international organizations, to analyze issues, and to identify objectives from the perspective of the Secretary of State. Bureau officials believe that the process will allow the Bureau to exercise a more decisive leadership role.

The policy management process involves the annual preparation, review, approval, and implementation of so-called action programs to guide U.S. participation and to monitor this process. The primary purpose of preparing action



programs is to establish the major U.S. policy objectives to be pursued over the coming year in particular multilateral agencies. In view of the similarity of goals expressed in establishing the policy management process with the international development goals announced in the President's reorganization proposal, it appears that the results of the process could benefit the Director of IDCA. His responsibilities include making sure that the various U.S. programs affecting development are consistent or complement the programs of the multilateral organizations to which the United States contributes.

The formulation of annual action programs is also designed as an internal Bureau policy management tool. Eventually, the process will provide a structured way for integrating input from various executive branch agencies. The Bureau plans that all these programs will follow a common format for a given year to allow a basis for a yearly comparison of issues and objectives.

The Bureau procedures state that the action programs will include all the issues requiring policy guidance from the Assistant Secretary, the Secretary, or the President. Sufficient information about other issues will be included to provide senior policy officers with an annual overview of expected activities of specific international organizations.

The process of forming action programs began in the Spring of 1978 with cognizant offices in the Bureau preparing action program documents for the United Nations and seven major organizations in the U.N. system. These organizations are the FAO, International Atomic Energy Agency, International Civil Aviation Organization, ILO, UNESCO, UNDP, and WHO.

The action program process was planned so that by September 1978, the Bureau would issue an action program decision memorandum. This memorandum was to (1) specify U.S. objectives in calendar year 1979 for each major international organization and program and (2) indicate which issues required further study. Although the action programs were prepared by Bureau officials, other executive agencies, such as Health, Education, and Welfare and Agriculture provided some input at Bureau request.

Other executive branch agencies viewed the action programs as an internal State Department educational tool. The State Department acknowledged that the initial cycle focused on alleviating constraints to effective management of U.S. participation in international organizations within the State

Department but noted its intention to more fully involve other agencies in the future. Contributions from the U.S. missions also varied. Although mission personnel were informed of the process initiated in the Bureau, there was no requirement that they submit information to Bureau personnel.

Our review of the initial drafts of the action programs indicated that the quality of preparation varied considerably. Some programs were detailed; other programs were short and seemed to lack substance. We also found that several programs did not follow the prescribed Bureau format and did not sufficiently cover U.S. benefits of continued participation in international organizations. Further, priorities had not been assigned to issues, and the financial implications had not been considered. Programs funded from voluntary contributions had not been included.

At the time of our review, we found that the action program process was behind schedule by at least 6 months. A review of the submitted action programs by the Assistant Secretary had not been completed as of May 1979, though it was originally scheduled for the fall of 1978. Bureau officials stated that they did not know if and when the final approved action program decision papers would be issued. It appears, then, that the benefits to be claimed from these programs as policy guidance documents for calendar year 1979 are minimal. Bureau officials stated that they hoped to start the calendar year 1980 annual action program process sometime in the spring of 1979, but as of May 1979 no specific date had been set. Only two Bureau officials were assigned to the process and they were increasingly involved in tasks not directly related to the process. We noted that one of the two officials had been reassigned to other duties within the Bureau and had not been replaced. This situation appears to indicate that Bureau commitment to continue the process may be wavering.

#### REVIEW OF PROGRAMS AND BUDGETS

The State Department is attempting to improve its capability to monitor and analyze programs and budgets of various international organizations. For example, the action programs prepared in the Bureau of International Organization Affairs for the United Nations and its specialized agencies attempt to identify and address problems in programming and budgeting--specifically, the need for improved reporting and performance evaluations of U.N. programs and budgets. Additional staff has been added to the U.S. Mission in Geneva to assist in reviewing budgets for international

organizations headquartered there. Bureau officials informed us, however, that the necessary resources are not available to the missions or the Bureau because of budgetary constraints imposed on them by the State Department.

We believe the President's reorganization proposal will not lessen State Department responsibilities for program and budget review. As mentioned in chapter 2, the reorganization proposal assigns to the Director of IDCA the lead responsibility for budget support and policy concerning U.S. participation in those organizations and programs of the United Nations and the Organization of American States whose purpose is primarily developmental. These organizations, for which the State Department has previously had responsibility, include UNDP, UNICEF, and the U.N. Disaster Relief Organization. It appears, however, that the State Department will continue to review the programs and budgets for these organizations even though final actions on such activities rest with IDCA.

State Department officials are concerned with program and budget growth in the United Nations but admit that the U.S. policy to limit such growth has not been wholly successful. These officials point out that parochial interests in the U.S. Government and in the United Nations largely negate the possibility of succeeding with the Agency's no net program growth strategy. In addition, other U.S. agencies participating in U.N. programs are not always aware of, or concerned with, budgetary growth because they are not required to justify U.S. contributions to these programs to the Congress. For example, the Department of Agriculture, which has a major responsibility for administering U.S. participation in FAO, does not include U.S. contributions to that Agency as part of its budget. A similar situation exists with the Department of Health, Education, and Welfare in its responsibilities to WHO.

According to State Department officials, there is also a general belief in the U.N. organizations themselves that larger budgets achieve better results. Consequently, some doubts exist as to the degree of commitment or motivation within the U.N. system secretariats to keep the budgets low. The United States has been working through the Geneva Group of major donor countries to restrict budget growth. By presenting a common position, these efforts have been successful in a few specialized agencies. The limits which have been adopted for growth, however, are often arbitrary. There is neither adequate information nor optimal use of that information. Overall, State Department officials admit that the U.S. ability to hold down budgets financed by assessed contributions is limited, at best. (See p. 26.)

## CONCLUSIONS

The establishment of the policy management process in the Bureau began as a serious and much needed first attempt to develop policy statements which embody U.S. objectives and identify issues for each international organization in which the United States participates. We found, however, that Bureau commitment to the process seemed to be deteriorating. If stated U.S. objectives in the U.N. system are to be realized, and proper attention given to establishing priorities for U.S. goals and monitoring U.S. progress in attaining its objectives, the Bureau must strengthen its commitment. The effectiveness of the policy management process requires consistent support from all State Department levels. Full staffs must be assigned which possess analytical skills, broad experience in management techniques, and knowledge about international organizations and programs. It appears to us that this process will be useful to the Director, of IDCA.

We have consistently pointed out the need for greater U.S. efforts to influence the United Nations and its specialized agencies through systematic program and budget reviews. The State Department has often proved to be unable to effect a strong, consolidated U.S. position in these organizations because it lacked the necessary knowledge concerning programs and budgets. We believe that the State Department must face the challenge imposed by U.N. program and budget growth by allocating the necessary resources to meet the task, especially in view of the President's reorganization proposal, to improve U.S. foreign development activities.

## RECOMMENDATIONS

The recent efforts to improve U.S. participation in international organizations, although they have yet to be proved, appear to have potential uses that need to be fully explored. We recommend that the Secretary of State strengthen these efforts in the Bureau of International Organization Affairs and, if they are deemed to be effective as more experience is gained, to expand the process to include additional international organizations. In this connection, we recommend that the Secretary of State coordinate the policy management process with the Director, IDCA when he assumes office so that both bilateral and multi-lateral development at the policy and implementation levels can be considered.

We also recommend that the Secretary of State--in consultation with the Director, IDCA when he assumes office, especially where he has lead responsibility for policy and budgets for developmental organizations--develop a plan to devote the necessary resources to ensure an increased capability in dealing with the United Nations and its affiliated agencies, programs, and budgets.

## CHAPTER 4

### EMPLOYMENT OF AMERICANS

#### IN THE U.N. SYSTEM

In our report, "Greater U.S. Government Efforts Needed to Recruit Qualified Candidates for Employment by U.N. Organizations," (ID-77-14, May 16, 1977), we reported that any successful effort to place qualified American candidates in management positions would require defining U.S. objectives, identifying potential vacancies in key positions in U.N. organizations long before they become available, and then effectively managing the recruitment and support of qualified U.S. candidates to fill those positions.

In a reply to our report, State Department officials acknowledged that the proportion of Americans working in U.N. organizations was about the same as when we reported on this subject in 1974. They believed, however, that the United States had demonstrated progress because the level of U.S. employment had not decreased. The State Department cited several factors contributing to under-represented American employment in the organizations (which it contends remain in evidence). One factor is the decreasing number of positions available to Americans as new member countries are admitted and each is allocated a minimum number of positions. In addition, financial constraints have forced organizations to stop hiring or cut back on personnel. Further, certain factors, such as the long selection process and the lack of career development systems, make international organization employment unattractive to many Americans. Finally, the organizations cite the limited language capabilities and international experience of many American applicants.

Varying emphasis within the United Nations concerning the dominant standard for employment further inhibits State Department efforts. Article 101 (3) of the U.N. Charter states that:

"The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity. Due regard shall be paid to the importance of recruiting the staff on as wide a geographical basis as possible."

Although the United States stresses employment based on quality-related factors, many countries believe geographical considerations are more important.

During our follow-up review, we wanted to find out what had been done to implement our specific recommendations to the Secretary of State to

- develop realistic long-range targets for attaining optimum U.S. participation in the international organizations and
- prepare an annual positive action plan, detailing specific targets for improving participation and specific measures to be taken during the year to achieve those goals.

We found that the State Department had not implemented our recommendations, but we noted that some steps had been implemented which, if properly carried out, may result in increased employment of qualified Americans in international organizations. As part of the action program process underway in the Bureau of International Organization Affairs, for example, each office responsible for international organizations is required to address the matter of U.S. citizens employed. The items to be commented on include identifying (1) U.S. goals for employment of American professionals, (2) key vacancies expected to occur during the coming year, and (3) areas where the United States is inadequately represented. Although still in its formulation stages, the effort appears to be a necessary first step in developing realistic, long-range targets and in detailing specific measures to be taken in the coming year to improve U.S. employment in international organizations.

Another initiative implemented by the State Department involves assigning a full-time international placement officer at the U.S. Mission in Geneva, Switzerland. This officer is responsible for placing Americans in the European headquarters of the United Nations and in those international organizations headquartered in Geneva. He is also responsible for keeping abreast of all personnel activities in the U.N. system in Geneva.

Because of his recent assignment to the job, an assessment of his effectiveness in employing Americans was not possible. At the time of our visit, he was developing a plan to identify vacancies for which Americans are eligible before the vacancies are published. Intensifying efforts in this direction would greatly help change the emphasis from merely reacting generally to vacancy announcements to having people actively recruited for specific vacancies. The Chief of Mission in Geneva and his top staff support these efforts.

It appears to us, however, that the degree of success in Geneva will depend on the support of the Bureau in developing an overall employment strategy for Americans in key positions, identified as far in advance as possible.

During our visit to the U.S. Mission in New York and to the U.N. Secretariat, we found that there is a need for the U.S. Mission to concentrate attention on the employment of Americans in key positions in the U.N. Secretariat and to assign this responsibility at a significant enough level to ensure improvement. For example, the Mission had not prepared a list of expected key vacancies during 1979, and no central place monitored Secretariat staffing in details that could identify key positions. There also appeared to be a need to improve the coordination of U.S. employment strategies and objectives between Mission and Bureau headquarters in Washington.

State Department officials informed us that there is pressure from other countries to replace Americans with other nationals when vacancies occur. They point out that the formula for the geographic distribution of U.N. jobs is increasingly under attack from those countries that believe they are under-represented. Each time the criteria are amended, the effect is to raise the desirable range for the smaller countries with the concomitant effect of lowering the U.S. range.

Department of State and other executive branch officials believe that U.S. participation in the Associate Expert Program would help expand U.S. representation at the lower and middle professional levels in many of these organizations. Under this program, the United States would send young professionals to FAO or to other international organizations and would pay for their training. Some of the participants would eventually become direct-hire personnel, assuming responsible jobs in the organizations. Bureau of International Organization Affairs officials told us that they have not been successful in getting such a program included as an item in the AID budget request for voluntary contributions to international organizations and programs.

## CONCLUSIONS

Although the State Department has not implemented our specific recommendations, (ID-77-36, June 24, 1977), it has taken several steps which, if properly followed, may improve the employment situation for Americans at professional management levels in U.N. organizations. These steps include



addressing the problem during the annual preparation of the action programs and assigning a full-time personnel officer in Geneva.

To ensure that such efforts will be successful, the State Department and other interested U.S. agencies should change the emphasis from personnel placement to active seeking of professional management posts. This change will require identifying U.S. employment objectives in each organization and targeting management positions to accomplish those objectives long before they become known through vacancy announcements. Additionally, top quality candidates should be offered for those positions and the United States should aggressively support them.

The U.S. Mission in New York should be better organized to address the problems concerning the levels of Americans employed in the secretariats of the United Nations and its subsidiary agencies. For example, there is a need to assign a high-level official to assume responsibility for active leadership in improving the employment of Americans. Such efforts should be closely coordinated with Bureau officials, especially in developing employment goals and strategies for each international organization. The visibility of this high-level official would ensure credibility with U.N. and specialized agency officials.

#### RECOMMENDATIONS

To improve the quality of employees at all management levels in U.N. organizations, we recommend that the Secretary of State advise the appropriate committees of the Congress that the U.S. policy will be to determine employment goals for each international organization and develop a strategy consistent with those goals. To implement this policy, we recommend that the Assistant Secretary of State for International Organization Affairs

- identify key management positions in each international organization;
- recruit qualified Americans as candidates for vacancies in those positions;
- aggressively support U.S. candidates to assure that they are adequately considered in the selection process;

- assign the responsibility for the placement of Americans in New York to a U.S. official of ambassadorial rank at the U.S. Mission and centralize Mission personnel activities; and
- continue to emphasize, in appropriate international forums, the importance of placing top quality candidates in U.N. organizations and that considerations of geographical representation are of secondary importance.

#### AGENCY COMMENTS AND OUR EVALUATION

Department of State officials disagree with our perceptions of their efforts to employ Americans in the U.N. system. In general, they find our views are unduly negative. These officials believe that they have done a good job in placing Americans in key jobs in many international organizations--given the constraints of a growing membership in the United Nations and its subsidiary agencies. State Department officials informed us that maintaining the U.S. presence at its current levels is progress. Further, these officials pointed out that in the U.N. Secretariat, Americans are over-represented according to criteria for geographical distribution. They also admit, however, that Americans are not well represented in international organizations such as FAO. State officials pointed to internal staffing shortages and believe that, with the required resources, they could improve U.S. representation.

We recognize that there are several valid factors cited by State which contribute to the inadequate level of employment of Americans in U.N. organizations. It appears to us however, that the State Department has not applied enough emphasis to achieve a high level of U.S. representation and needs to develop more innovative approaches to the problem. It is not adequate to assume, in our opinion, that holding our own during expanding membership in the U.N. system represents progress, and that, consequently, the United States cannot expect to do any better.

The success of the United Nations and its specialized agencies in achieving effectiveness depends largely on the quality of their professional staffs. The United States has a major stake in the quality of U.N. employees because it is the largest contributor to the U.N. system and relies on the international organizations to undertake worldwide multilateral development projects. The United States should assist the United Nations by making sure that well-qualified American candidates are available and adequately considered for employment at all management levels.

## CHAPTER 5

### REFORM AND EVALUATION

#### EFFORTS IN THE U.N. SYSTEM

##### RESTRUCTURING ECONOMIC AND SOCIAL SECTORS

In our June 1977 report, we urged the State Department to (1) establish an order of priority for all restructuring, programming, and budgeting issues in the U.N. system and (2) convince other member nations to act on the many proposals for improving the U.N. program and budget processes. The State Department has initiated several activities which we believe will contribute to realistically strengthening the U.N. system, if implemented and followed.

One important initiative involved issuing the President's March 1978 report to the Congress, "Reform and Restructuring of the United Nations System," in response to section 503 of the Foreign Relations Authorization Act for Fiscal Year 1978. Several recommendations were made in the report, including

- working for better coordination of U.N. technical assistance activities by making UNDP the major channel for U.S. voluntary contributions and helping to strengthen the UNDP programming and coordinating role and
- supporting recent General Assembly plans to restructure and reform the economic and social functions of the United Nations

These recommendations are consistent with those the 32d General Assembly endorsed in a report by its Ad Hoc Committee on the Restructuring of the Economic and Social Sectors of the U.N. System. This effort was begun with the support of the United States. State Department officials believe that the report's endorsement by the entire membership of the United Nations created an important opportunity to pursue U.S. goals of achieving basic improvements in the effectiveness of the U.N. system.

Specific steps supported by the United States, as set forth by the Ad Hoc Committee to improve the efficiency and effectiveness in the U.N. system, include greater efforts to develop coordinated budget presentations by the various elements of the U.N. system. The United States has been

working toward this goal in other forums as well. In July 1977, for example, the Geneva group of major donor countries prepared a document, "Standard Analytical Framework for Program Budget Analysis," which is designed to help member nations evaluate the program budgets of international organizations. Another step the United States supported in the 32d General Assembly involved establishing a new senior-level post of Director General for Development and International Economic Cooperation in the U.N. Secretariat, with particular responsibility for ensuring effective leadership and coordination in economic and social sectors.

#### UNDP concept of coordination

As we have pointed out in other reports, many restructuring proposals are concerned with centralized planning and programming and with resource allocation in the U.N. system, much like that of the UNDP country programming concept wherein technical assistance is coordinated and funded primarily through a single channel and with voluntary contributions. Although the U.N. system has made some progress in the programming and resource allocation process, the specialized agencies still favor independence and are not willing to accept a central mechanism to coordinate planning and programming.

The United States continues to insist, along with other major contributors, that U.N. development assistance should be funded mainly through voluntary contributions and not through the assessed contributions of member states. Over the years, this call has been largely ignored in the United Nations. The developing countries, with a majority vote, have consistently supported increasing all forms of technical assistance. We were informed that the State Department will continue to support in appropriate U.N. forums the concept of funding technical assistance programs primarily through voluntary contributions and using UNDP as a central funding channel for development programming. State Department officials admit, however, that their past efforts have not been wholly successful. Beyond using this strategy, officials concede there is little they can do to alter this trend.

#### CONCLUSION

Steps which have been taken by the United States to support needed reforms in the U.N. system are in the right direction. As the amounts of resources committed to development assistance through the U.N. system is increasing, it becomes even more important that the system provides for

effective allocation of these resources through improved program and budgetary processes.

The Secretary of State, in concert with other like-minded countries, should undertake to convince appropriate organizations in the U.N. system of the need to continue the reform efforts underway and to specifically raise those issues identified in the President's March 1978 report to the Congress.

### EVALUATIONS

In our overall June 1977 report, we recommended that the Secretary of State, working through the Bureau of International Organization Affairs and the U.S. Missions, take positive continuing action to convince top-level officials of U.N. organizations of the urgent necessity to improve financial management and evaluation. We maintained that limited evaluation efforts were not providing information on how well international organizations use their resources and whether they were achieving approved objectives.

The State Department supports strengthening the U.N. Joint Inspection Unit (JIU) and the U.N. Board of Auditors as vehicles for implementing our past recommendations. With the support of the United States, the General Assembly in December 1976 established JIU on a permanent basis and made it a subsidiary organization of the General Assembly and the legislative bodies of the international organizations that accept the statute concerning the Unit. A year later, the 32d General Assembly appointed three new inspectors, bringing to 11 the total composition of the Unit. Several specialized agencies (FAO, International Atomic Energy Agency, International Civil Aviation Organization, ILO, Intergovernmental Maritime Consultative Organization, UNESCO, Universal Postal Union and WHO) have taken actions to approve the permanent Unit statute which became effective January 1, 1978, although some expressed reservations and made statements of interpretation concerning the role to be played by the JIU.

In its report on evaluation in the United Nations dated March 1977, JIU acknowledged its limitations and stated that evaluations must be carried out primarily within each U.N. organization. It is clear that even with the modest increase in staff, JIU is not equipped to adequately perform evaluations in every U.N. system secretariat.

The report indicated that a few organizations including WHO, FAO, and ILO, were making significant progress toward developing internal evaluation processes. In addition, the

UNESCO Secretariat has filled a program planning staff position which is expected to improve the UNESCO evaluation capability. The internal evaluations of U.N. organizations are expected to be available to member governments.

JIU sees its role as encouraging the establishment of effective internal evaluation procedures within each organization. This includes conducting regular reviews of the internal evaluation systems and offering advice and assistance in improving these processes. Further, JIU will undertake ad hoc external evaluations, emphasizing system-wide problems and issues rather than single agency issues.

In January 1978, the Administrative Committee on Coordination approved the gradual introduction of integrated evaluation systems along the lines suggested by JIU. A position of Assistant Secretary General for Programming, Planning and Coordination was created and filled in the fall of 1978. When staffed, the office is expected to bring about further improvements in evaluation systems.

The State Department has also supported the efforts of the U.N. Board of Auditors to achieve a fully integrated approach to auditing and the adoption of a system-oriented audit approach. In October 1978, the United States stated in the Fifth Committee of the General Assembly that the United Nations must improve its financial systems and the quality of its financial management. At this meeting the United States supported the efforts by the Board to include in its reports to the General Assembly, comments relative to any failure by organizations in the U.N. system to take the necessary measures to rectify inadequate financial management practices. The Board has done this in its report on U.N. headquarters for the 2-year period 1976-77.

The need for more extensive internal auditing of U.N. accounts has been supported by the State Department especially since recent allegations of fraud reported by the Board of Auditors. The United States also supported the augmentation of internal audit staffs with an improved investigative audit capability so that allegations of impropriety can be better dealt with and promptly detected. The United States has urged the U.N. administration to take prompt action to establish programs for the professional development, training and career planning of audit staffs.

The work of the Board of Auditors, however, may be hindered by its current charter and organization. In this respect, a February 1979 consultants' report prepared for the Auditor General of Canada recommended major changes in

the organization and manner of conducting audits in the United Nations and its subsidiary organizations. One change includes establishing the post of Auditor General, with the Board of Auditors becoming an overseer or committee, rather than becoming involved in auditing details.

We are reviewing in greater detail U.S. efforts to improve internal and external auditing and evaluations in the U.N. system, the results of which will be separately reported to the Congress. At that time, we will discuss the changes needed in the work and organization of the Board of Auditors which will also consider the recommendations as contained in the above noted consultants' report.

REPORTS ISSUED TO THE SENATECOMMITTEE ON GOVERNMENTAL AFFAIRS"Need for U.S. Objectives in the  
International Labor Organization"  
(ID-77-12)

Departments of State, Labor, and Commerce

This report (1) discusses the U.S. notice of intent to withdraw from the International Labor Organization, (2) questions the U.S. Government's commitment to effective participation, (3) analyzes the constraints to members influencing the Organization's budget, (4) points out the need to improve evaluation of its programs, and (5) recommends the development, coordination, and implementation of overall objectives for U.S. participation in the Organization.

"U.S. Participation in the World  
Health Organization Still Needs Improvement"  
(ID-77-15)

Department of State  
Department of Health, Education, and Welfare  
Agency for International Development

This report describes the activities of the World Health Organization, discusses current issues affecting the Organization, identifies the lack of clear U.S. policy objectives in the Organization, and makes recommendations to the Secretary of State to improve U.S. participation.

"The United States Should Play A Greater Role  
in the Food and Agriculture Organization of  
the United Nations"  
(ID-77-13)

Departments of State and Agriculture  
and Other Federal Agencies

This report discusses the growth in U.S. financial support to the Food and Agriculture Organization and recommends specific U.S. actions to improve the Organization's programing, budgeting, and program evaluation systems.

To improve U.S. administration, GAO recommends that the President clarify the Secretary of State's responsibility for



directing executive branch efforts. The Secretary should define precise U.S. objectives in the Organization and delineate functions and responsibilities of each U.S. agency, particularly the Agency for International Development.

GAO recommends that the United States express concern over the Organization's recent inclusion of developmental activities in its assessed budget and reiterate U.S. policy that U.N. development activities should be financed by voluntary contributions and centrally programed through the U.N. Development Program.

"The World Food Program--  
How the U.S. Can Help Improve It"  
(ID-77-16)

Departments of State and Agriculture  
and Agency for International Development

The World Food Program provides food aid to developing countries. The United States, its largest contributor, has a compelling interest in the success of the Program.

Although demand for World Food Program assistance is high, the Program does not have an adequate long-range planning system. Priorities are needed so that its aid reaches the poorest nations, as defined by the United Nations. Improvements are also needed in the Program's audit procedures.

GAO is making recommendations to help the World Food Program establish long-range planning procedures, develop a system of priorities, and expand its audit coverage.

"Greater U.S. Government Efforts Needed  
To Recruit Qualified Candidates  
for Employment by U.N. Organizations"  
(ID-77-14)

Department of State and Other Federal Agencies

The success of U.N. organizations in achieving efficiency and effectiveness depends upon the quality of their professional staffs. The United States has a major stake in the quality of the employees hired and can assist U.N. operations by providing highly qualified American candidates.

GAO points out some of the problems encountered in locating and hiring Americans for U.N. organizations and makes recommendations for improving the U.S. recruiting system and increasing American professional participation in U.N. organizations.

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