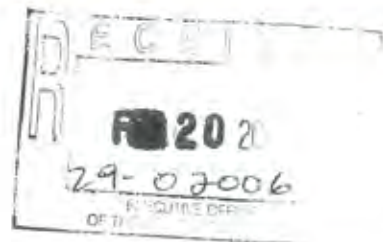


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Note to Mr. Nambiar

UNDG position at the ASG level

1. I refer to your note dated 30 January 2009 transmitting, for DM's review, Mr. Dervis' response to the concerns raised in my previous note on the same issue dated 11 December 2008. (28-14344)
2. DM reviewed the content of Mr. Dervis' letter and unfortunately there is still reason for concern regarding the current and future funding arrangements for the proposed UNDG ASG.
3. With regard to the issue of financial implications of the upgrading of the post of Director of the Development Operations Coordination Office (DOCO) to the level of ASG, Mr. Dervis confirms that "the current D2 post is entirely financed by UNDP and this will continue". He does not, however, clarify how the additional costs of the proposed upgrade (the difference between the ASG and the D2 level) will be covered.
4. With regard to the issue of the UNDG becoming the third pillar in the CEB structure and hence subject to cost-sharing mechanism (where the Secretariat bears a major share of costs), Mr. Dervis does not clarify whether the cost of that pillar will become part of the CEB budget. In that case, the upgrading of the DOCO would require consultation with the members of the CEB prior to its submission to the General Assembly.
5. In addition, Mr. Dervis advises that "it has never been envisaged that the management of DOCO would be seconded to the CEB Secretariat". However, it is important to bear in mind that the upgrading proposal expands the responsibilities from managing the DOCO activities to carrying out responsibilities on behalf of the UNDG chair. Given the change in the nature of the functions to focus on UNDG, the exclusion of the post from the CEB Secretariat would not appear entirely consistent with the intent to make UNDG the third pillar of CEB as indicated in the proposed strategic framework of Programme 26 'Jointly financed activities' for the period 2010/2011.
6. With regard to the third issue, how the ASG UNDG and ASG for Policy Coordination and Inter-Agency Affairs (DESA) interrelate and their reporting lines, Mr. Dervis clarifies that the UNDG ASG will report to the UNDG Chair. No clarifications are however provided on how the two ASG will interrelate. Mr. Dervis provides a justification of the upgrading of the DOCO by mentioning "stature and seniority". Based on DM experience, ACABQ rarely supports these elements as a basis for reclassification.

Angela Kane
20 February 2009

cc: Mr. Kim, Mr. Yamazaki, Ms. Pollard

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Note to Mr. Nambiar

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Angela Kane
20 February 2009

cc: Mr. Kim, Mr. Yamazaki, Ms. Pollard

Note to Mr. Melkert

Management and accountability system of the UN development and RC system: Establishing the position of UNDG ASG

1. I refer to the letter dated 19 January 2009 from Mr. Derviş on the above subject. The letter has requested the approval of the Secretary-General for upgrading the post of the Director of the Development Operations Coordination Office (DOCO) to the level of Assistant Secretary-General (ASG) and had responded to some concerns which had been conveyed by me in my note dated 2 January 2009.
2. I greatly appreciate your office providing additional information relating to the proposal. While it does provide some information, I must request you to provide clarity on certain issues which need to be addressed. It is noted that the financial implications are limited to the difference between an ASG post and a D2. While we understand that currently the D-2 post is funded by UNDP, it is unclear if the ASG post, if and when established, would be fully funded by UNDP. In this regard, our request for clarifying whether this ASG post would remain a core UNDG post or whether at a later stage it would be considered part of the budget of the CEB and subject to the cost-sharing mechanism where the UN Secretariat bears a major share of the costs, needs to be addressed.
3. We note that the upgrading proposal expands the responsibilities from managing the DOCO activities to carrying out the responsibilities on behalf of the UNDG chair. Given the change in the nature of the functions to focus on UNDG, the exclusion of the post from CEB Secretariat would not appear entirely consistent with the intent to make UNDG the third pillar of CEB, responsible for the coordination of country level development operations. In this regard, our request for clarification on whether the cost of that pillar will become part of the CEB budget is reiterated. In that case, the proposed upgrading would need consultation with members of the CEB, who have the authority to approve the gross budget and staffing table of the CEB Secretariat prior to submission to the General Assembly.
4. Greater clarification is requested on the issue of having two ASG positions (the UNDG ASG position and the ASG for Policy Coordination and Inter-Agency Affairs who serves as the Secretary of the CEB) and their inter-se relationship as well as reporting lines. Your communication mentions the stature and seniority of the person as the key to move forward the critically important UNDG reform agenda and to achieving a more effective and coherent RC system. It is our experience that the Advisory Committee on Administrative and Budgetary Questions (ACABQ) rarely supports these elements as a basis for reclassification.

5. In the light of the financial crisis and the need for cost cutting measures, you would agree that it may be desirable to keep this proposal on hold. Such a measure would be in consonance with the Secretary-General's exhortations to prune costs. While agreeing that each proposal should be decided on its individual merits, I may, incidentally, add that certain proposals have been deferred for this reason.

6. I would be grateful if your office could examine the above issues before approval of the Secretary-General is requested.

Thank you.



Vijay Nambiar
12 March 2009

cc: Mr. Kim

29-02006