

THE REAL PROBLEMS OF UNICEF

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The above title, though somewhat pretentious, has been chosen to suggest a contrast with some "unreal" problems. The present memo argues that the Executive Board spends a good deal of time on unreal problems and not enough on the real problems, and as a consequence its direction of UNICEF's affairs is impaired. The real problem is this: While the needs of children are immense and much more international help could be used to raise the level of child welfare, UNICEF funds go to work too slowly. UNICEF has had a surplus of funds over recommended allocations for every Board meeting since 1952.

To improve the Board's direction of UNICEF, two lines may be explored concerning:

- a) The Board; its membership; methods of work, including presentation and content of policy questions submitted to the Board by the Executive Director.
- b) The secretariat, its organization and method of work.

The needs of children

The needs of 750 million children in technologically under-developed countries, in a few fields that have been prospected in the course of operations by UNICEF and Specialized Agencies, are set out in the UNICEF Programme Appraisal 1959-1964 (UNICEF/Misc./1 of 4 August 1959). The following are the main conclusions:

Malaria eradication is the only field where a large scale job is being done on a major problem (and even it does not extend to Africa, South of the Sahara). This large scale job is possible because in addition to the \$8 to \$9 million allocated annually by UNICEF, USA is giving \$33 million (fiscal year 1960) for malaria eradication through bilateral and WHO channels.

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Typhoid and leprosy. Substantial progress is being made (though for leprosy, this does not yet extend to India). These are not major problems and \$1 to \$2 million each year for the next 10 years may be all the international aid required for solution.

Internal and child welfare. (This is UNICEF shorthand for the extension of the national networks of permanent health services in rural areas, particularly the branches serving children). Only a start has been made. At present about 1,000 rural health centres with their subsidiary village sub-centres are being opened each year (in many cases by upgrading existing dispensaries). These would serve in an elementary way about 30 million people. This figure happens to correspond approximately to the 2 per cent annual population increase in the UNICEF-assisted countries. In other words, though the international aid certainly is valuable in its indirect effects, by improving quality, quantitatively the countries being assisted are not making a net improvement in the availability of health services - a backlog of some 1,000,000,000 people unserved remains about constant. In this very important field, there is little bilateral aid and it seems a reasonable conclusion that outside the Communist countries little is being done beyond the projects for which UNICEF aid is requested.

Nutrition. How to feed the world's expanding population is one of the major problems of the age and it can hardly be referred to UNICEF for assistance; but there is a specific problem of how to feed young children about which much can be done within the framework of existing food supplies. To this problem are directed the projects termed in UNICEF terminology "milk conservation" (including processing of other protein-rich foods); "expanded aid to nutrition" (nutrition education and activities in the villages); and "child feeding" (mainly skim milk distribution). \$7 million were allocated for these programmes in 1959. UNICEF's contribution to milk distribution was only 10 per cent of a large programme by U.S. voluntary agencies working overseas, but all this had come to an end now that the whole production of skim milk is required for commercial purposes. Quantitatively, the other programmes are demonstrations rather than efforts to cover countries with adequate services (with two or three countries only getting beyond the demonstration stage).

Primary education. One-third of the children aged 5 to 14 in UNICEF-assisted countries are attending school. The Board decided in March 1959 that it should not put any resources into the main field of primary education.

Urbanization. Economic development means urbanization, which in turn means acute social problems. While these problems are much talked about in the Economic and Social Council and the Third Committee of the Assembly, UNICEF's contribution so far does not extend beyond some urban ICM centres and a beginning with "social services for children".

Costs per caput. It is almost superfluous to review the above needs, because it is obvious that 5 cents per child per year [✓] must leave many needs unmet. These facts have been publicised in fulfillment of UNICEF's function of calling attention to the needs of children and as a means of support to fund raising. One of the side effects has been to convince the Board that UNICEF is short of money and should concentrate on prudent, well-tried programmes, sure to bring a good return on the investment. These considerations were an important element in the rejection of the proposal to aid primary education. As one of our NGO representatives said in relation to the primary education, "it seems that UNICEF is trying to do more and more, with less money". Indeed, this conclusion seems obvious.

The rest of this memo will try to explain what is wrong with it and how the situation might be cleared up. The basic fact in conflict of the above conclusion is that UNICEF regularly has unallocated resources.

The unallocated resources of UNICEF

Unallocated funds at the end of the second regular Board session of the year have been as follows:

(in thousands of US dollars)

1952	-	199
1953	-	2,143
1954	-	1,229
1955	-	5,052
1956	-	3,951
1957	-	1,473
1958	-	607
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1959	-	1,667

* / 25 million programme allocations for 550 million children aged 0-14 in assisted countries in 1959. This is not an argument of despair, e.g. on the grounds that a doubling to 10% would not amount to much either. 5% is very valuably spent for training, key technical supplies, pump printing. All that is argued is that it leaves many needs unmet.

The 1959 figure is on a different basis because in September 1959, it was agreed that the Administrative and Operational Services Budget for the following year could be provided for from funds accruing to UNICEF after the Board meeting. Without this decision, there would have been a deficit of \$2,300,000 at the end of the September session, so there is progress in reducing the unallocated resources. Under the revised procedure however, the relevant consideration will be unallocated resources at 31 December rather than after the September Board meeting and so it is the latter figure which is referred to again later in this memo. At the end of the year in 1959 we will have not less than \$1 million unallocated. So the fact remains that under the revised rules, there is still a surplus.

Annual allocations: The Board also agreed in September (with some reluctance) that in 1960 and future years the Fund should extend the allocation procedure used for the long-term malaria eradication campaigns, to the slow spending programmes, milk conservation and maternal and child welfare. Henceforward, the Board would approve the cost of total proposals in principle, but vote funds to cover procurement commitments to be entered into during the ensuing 12 months. It appears that this will leave between \$1 and \$3 million unallocated at the end of 1960.

Emergency reserve: In September 1957, the Board accepted a secretariat recommendation that it would be desirable to have about \$2 to \$2.5 million unallocated at 31 December to cover emergencies. In fact such sums have not been required for emergencies since 1950, and such a reserve now appears unnecessary. It is clear that some Board members do not consider it desirable (see below).

Ratio principal/expenditures: While unallocated resources have been the main criteria of unused resources in UNICEF, there is another, viz, the ratio of principal (cash, investments and pledges) to annual expenditure. UNICEF's principal at the end of 1958 was about \$33 million (most of which was allocated to projects) and its expenditure was \$23 million.^{2/} This means that on 1 January its assets cover expenditure for the 17 ensuing months. This is by far the highest ratio among the funds in the UN financed by voluntary contributions; Technical Assistance (which is the lowest) has its expenditure covered for only 6 months ahead, though the pledging conference provides an additional type of cover for 12 months. It seems that 12-month future coverage would be adequate for UNICEF and experience might show that less was possible.

UN use of UNICEF assets: Each year the Fifth Committee takes a further step towards the use of UNICEF funds for funding United Nations operations, instead of asking member Governments to make an additional contribution to the United Nations working capital fund. The Secretary-General now has the right to borrow UNICEF funds for other U.N. purposes, though it is understood that he will not do so in the immediate future. In 1959, the Fifth Committee asked for the possibility to be studied of having all funds "in the custody of the Secretary-General" presented to the Committee in one consolidated account, with the annexes showing the separate accounts. This procedure will probably force the Secretary-General to use all funds "in his custody" for any of his needs, since it will be harder for him to demonstrate needs for his working capital fund (a deficiency there being masked by UNICEF funds).

In the later debate on enlarging the UN working capital fund (it was decided to increase it from \$23.5 million to \$25 million), the representative of the U.S.A. said:

^{2/} Expenditure follows allocations after a time lag. Since total allocations in 1959 were \$26 million (programs and administration) expenditure is rising.

"we advocate especially that the Secretary-General be authorized to borrow from special accounts and programs of the United Nations funds which are under his custody as Chief Administrative Officer of the Organization...

"we suggest that the United Nations should view its total programs and commitments as a whole, particularly as to cash requirements. The Secretary-General must be allowed to manage the funds in his custody in an intelligent manner. It is not reasonable that large sums of money remain in one pocket, while there is a crying need for cash in another..."

Opinion of the Advisory Committee: The report of the Advisory Committee to the Fifth Committee for 1959 publicly advised UNICEF to put its funds into use more rapidly, and this report was accepted by the Fifth Committee without a single contrary opinion being uttered. In the U.S. State Department, the Office of International Administration (the Division concerned with the budgets of international organizations) considers that slow spending by UNICEF justifies the reduction of matching percentage of the U.S. contribution, and offers to consider better matching only when UNICEF needs the money for projects by the end of the year in question. The Swiss member has also informed the Executive Director that he considers UNICEF's financial policy too conservative. This is also the view of the Comptrollers of UNICEF and of the U.N.

Effect of Board discussions September 1959. The two actions taken by the Board last September (annual allocation for MCH and MCP projects, and allocation of administrative and operational service funds as of 31 December) could have the effect over a period of two or three years of pushing up expenditure and reducing the principal, if the work is planned to leave no funds unallocated at 31 December each year. However, even then they cannot be expected to reduce future coverage to the 12 months level mentioned above as adequate, because allocations made should always contain a safety margin in case commitments of expenditure for the following year should prove higher than the estimate.

Present planning for 1960. In fact, however, the only way to implement a less conservative financial policy is to have more projects, and long experience shows that this will prove difficult. Where UNICEF has refused to help projects this has been in application of Board policies, e.g. not to exceed 10 million annual allocations on malaria, and never since 1952 because of shortage of funds to carry out existing policies. It is true that policies have been recommended by the Secretariat and adopted by the Board in the belief that it was necessary to conserve funds, but that is another matter.

Present planning for allocations in 1960 reaches a total of 127 million, which would equal our income if U.S.A. releases the whole amount of their contribution. The State Department is very willing to consider this if the money would be completely used i.e. allocated in full before 31 December. Since a number of projects always are postponed because they are not ready to bring forward, we are, in effect, planning not to draw the full U.S. contribution in 1960 because of lack of prepared projects.

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Obstacles to the preparation of projects

Obstacles to the preparation of projects have been listed under the headings of receiving governments, specialized agencies, UNICEF secretariat, and UNICEF Board.

Receiving governments

It is a myth that there is great competition for UNICEF assistance and it should not be assumed that if some initiatives are frozen out, others will spring up in their place. The oratory of gratitude and appreciation in the Third Committee is not reflected in programming action in the field. In fact, UNICEF and specialized agency representatives have to push programmes which the more developed parts of the world consider to form part of social progress, by seeking out and helping the officials trying to move in that direction. This indeed is the normal relation of the developed countries to the under-developed, but it is not officially recognized in UNICEF, neither in the Board nor in the secretariat.

The following limitations on absorptive capacity are the most important:

Shortage of general administrators: UNICEF assistance has to be Government-sponsored and it is usually administered through Government channels. However, it is well known that the administrative structure of under-developed countries is their weakest element. UNICEF is not dealing with the needy children, but with Government officials who are frequently serving fairly short assignments because of political changes, and are usually so under-paid that they can give only part time to their Government work and have to earn their living outside. Many are far removed by education and tradition from the under-privileged whom UNICEF is supposed to help, and frequently they have not been brought into contact with village conditions. Of course, there are

devoted and capable people too, and in a high proportion of cases UNICEF assistance works only because such people are at the national end. The problem arises from the fact that they are not more numerous.

Internal administration is the hardest field in which to help countries. Sometimes UNICEF could help by providing for more project personnel. Since they are advisors, the OPEX formula might also be used in which the foreigner proposed by the UN becomes the servant of the Government and exercises responsibility. UNICEF might supplement OPEX in the same way as it supplements funds or project personnel.

Shortage of trained personnel: Second only to the shortage of general administrators is the shortage of technically trained personnel to direct and supervise programmes at the central and district level. This can be helped by project personnel only at the top, and must depend for a remedy on training of national personnel. Though UNICEF could and should give more support to that it is inevitably a slow process, net progress is slower still where there is considerable wastage of trained personnel. Such wastage is inevitable in a situation where any professional training gives a person earning power considerably higher than the national salary level.

Shortage of local funds: Under this heading there are two factors of particular importance:

- a) Malaria: The malaria eradication campaign which is receiving nearly \$45 million a year in international assistance probably costs Governments nearly \$100 million a year. All this comes out of health budgets, of which it absorbs about 10%. In many countries this leaves little over for working on other new health projects until the malaria eradication peak has passed. This is a substantial reason for allowing UNICEF assistance to flow into other fields than health, such as primary education.

- b) MCW: Though UNICEF puts assistance to MCW in top priority, it is able to offer only a small proportion of the cost of starting MCW services. While international assistance will meet 40 percent of a malaria eradication campaign over five years or more UNICEF equipment and drugs do not amount to more than fifteen percent of the cost of MCW services over five years.*/

Need for balanced development: Children's needs for services in the fields of health, nutrition, social welfare and primary education are closely inter-related, and it is highly desirable to develop them in a balanced way. Looking at this problem in another way, there is usually a relation between the national budgets for their services, which can only be modified slowly. Thus if the personnel and funds of the Ministry of Health are fully tied up with malaria, no other health projects can be absorbed, but there may be absorptive capacity in the Ministries of Education and Social Welfare. The policy often recommended to UNICEF of doing more to meet outstanding needs in the traditional fields would not explore these possibilities fully.

*/ Based on costs of Indian primary health unit.

Specialized agencies

Technical approval: While it is entirely proper that the specialized agency should establish technical policy, set goals, and lay down standards, it is unfortunate that they have never laid down general principles and guide-lines, which Governments and UNICEF could be trusted to implement. Their working procedure of examining every project proposal in the field with their own personnel retards the preparation of projects, and becomes almost impossible in many-sided projects like community development and aid to nutrition which have technical aspects of concern to WHO, FAO, Bureau of Social Affairs and sometimes UNESCO. The resident representative of Technical Assistance also comes into the decision to assign project personnel. It took from 1954 to 1959 to get additional personnel into FAO and WHO to examine nutrition projects.**

Agency policies: Agencies try to mould UNICEF assistance to accord with their own policies. For example, WHO has dragged its feet in the planning for trachoma work because it wants to force UNICEF money into malaria. Since the UNICEF Board, on the recommendation of the secretariat, refuses to expand its malaria allocations above \$10 million, neither programme has advanced as much as it could; as usual where there is disagreement among independent international agencies the resolution of the problem is negative.

Conditions imposed: In addition to trying to set the pace for planning types of programmes, specialized agencies sometimes use technical approval to impose conditions on individual projects. These often retard the presentation of projects and sometimes cause them to be dropped. The development of ICW work in Brazil has been retarded for years because Brazil did not want the project personnel imposed as a condition by WHO.

** Document E/ICEF/L.1123 Section II gives some of this history.

Bureaucracy: The offices of specialized agencies naturally organize their work in relation to their own programs of meetings, and not in relation to preparations for UNICEF allocations. Since it has been accepted by the Board that projects cannot be brought forward without agency participation, many projects are delayed for one or two meetings on account of this.

UNICEF secretariat

Echelons: It is a weakness of any bureaucracy that many people can say "no", few can say "yes". In UNICEF a project may be discouraged at the level of a country or area representative, the regional office, or headquarters. On the other hand, if anyone wants to use resources in a way that has not been specifically approved at all levels, the question has to come to Headquarters, and, depending upon its importance, to the Board.

It is not easy to characterize briefly the degree of decentralization in UNICEF, and the subject would merit study as part of the administrative review. Board approval of individual projects means that recommendations have to be reviewed by Headquarters and put forward on similar principles for all regions of the world. The general rule is to have at Headquarters one preliminary discussion of a project proposal before the details are worked out with the Government and one review before submission to the Board. Within the framework of Board policies, considerable initiative is left to field personnel in their discussions with Government departments.

On general principle, there should be one working level and only one level of review. The UNICEF echelons frequently give rise to two levels of review, which gives them a negative bias.

Again, on general principle, a greater degree of delegation could be expected for the implementation of projects than for their preparation, since the latter involves policies laid down by the Board. It is not clear that this principle is followed. Board approval of a recommendation paper for an allocation fixes the outline of the project, the categories of supplies and the total value of the allocation (The project may be recommended for another allocation later). For the plan of operation, there is little discretion because it implements the outline presented to the Board. For the supply list, Regional Directors have listed in the recommendation some discretion to modify the amount of each category of supplies up to 20 per cent of the

value of the category. Regional Directors also have authority to spend \$1,000 to meet emergencies arising in projects. This authority is rarely used and they sometimes seek approval for departing by even a few hundred dollars from the plan of operations and supply list which may have been laid down some year or so before.

Bureaucracy: The tradition of any bureaucracy is to say "no". This tradition has grown in the developed countries, and is now being applied to the administration of assistance to the under-developed. However, conditions in the latter are essentially different in that the amount of local initiative is much less. The official from the well-developed country assumes that if a proposal is worth anything, the proposer will fight for it, and he uses discouragement as a means of sorting proposals into priority. However, in the under-developed countries, there is not sufficient initiative to make this system work.

One conclusion would be to have a greater decentralization. People at the centre cannot get any programmes going directly, but only by persuading the lower echelons to act. Hence people at the centre can make a "no" stick, but they cannot implement a "yes". People in the field have a more equal chance of making a "yes" or "no" stick, provided they are not frustrated by people at the regional office or headquarters.

Getting instructions down: There is of course the problem of informing the field people of the types of programmes which they may push and getting them sufficiently interested to do so. There is a considerable time lag involved in this process.

Numbers of personnel: Most international agencies have a personnel problem, and UNICEF has a shortage of field personnel capable of taking responsibility, if more were decentralized to them, for real programme planning with Governments. The personnel we have are rather hard pressed with the present workload of implementation and preparation of new projects.

The best is the enemy of the good: We all know that UNICEF assisted projects have weaknesses. To what extent should we sit on our money waiting for better projects to be worked out? In the developed countries a great deal of time and effort is wasted. It is logical to expect less efficiency in the under-developed countries.

Conflict between a fair distribution of aid and absorptive capacity:

UNICEF can hardly expect to escape from the law "to him that hath shall be given". Nevertheless the regional disequilibrium is disquieting between Asian assisted countries, which for 1955-59 received annually 2 cents per child and the American countries which received 7 cents. Characteristically everyone believes that a brake should be put on development of new programmes in the Americas, but operative agreement on getting more aid to Asia extends little beyond an expansion of milk conservation.

Another aspect of the above conflict is the argument frequently raised that a particular form of aid requested cannot be given because of the precedent - UNICEF would not have the finances to provide it to all countries in like circumstances. Here justice has to be balanced against particular needs, including trying the effectiveness of new forms of aid. In practice the financial effects of the precedent seem to get overstated.

UNICEF Board

Conservative bias: Board members are generally critical of any proposal for change. Prudence is invoked repeatedly, and no member speaks of the function of international agencies (which can draw on the technical resources of the whole world) to help countries adopt new and more efficient methods - a transplantation of techniques that of course involves a risk. The conservative bias is undoubtedly strengthened by the fact that most Board members are only very slightly familiar with UNICEF - consequently they are in no position to evaluate changes. The safest course is to continue what has apparently given reasonably good results in the past.

The greatest handicap of the Board is the difficulty for it to see field conditions and study the child welfare problems of the countries it is assisting, a difficulty often shared by the representatives of under-developed countries themselves (compare "shortage of general administrators" above). Visits to the field are not considered an acceptable charge on the "funds for children". Host governments provided for short visits to Central America in 1954, and to Tunisia, Yugoslavia, Poland in 1959 (areas chosen because they were the closest to Geneva). In 1959 two members who took part in the visit to Central America were still on the Board. Moreover, brief group visits have proved stimulating but cannot be expected to provide a comprehensive view of field problems. Individual visits

by Board members, which a few have been able to arrange, are more informative. However, the total contact is quite insufficient.

Maybe the secretariat has not placed the problems of UNICEF sufficiently clearly before the Board to break the feeling expressed by some members that the Board is only a rubber stamp and consequently not interesting enough to command the real participation of members. Since the general policy discussion by the "new" Board in 1951 did not produce agreement on any substantial development of UNICEF policies to meet the new situation of long-term aid, the secretariat has, on many questions, tried to lead the Board along from precedent to precedent. Of course, major programme questions were submitted in principle, e.g. expanded aid to nutrition in September 1957, aid to primary education in March 1959. Does the Board need more broad policy discussions?

Leaders: A Board of 30 members requires 5 or 6 members who will try to get certain results out of each meeting. UNICEF had this in its early days, but not now. The governing bodies of WHO have taken the initiative of launching that organization into environmental sanitation and research, even though they had to push the WHO secretariat. In UNESCO, the governing bodies have repeatedly increased the budget over the amount requested by the secretariat, in order to undertake additional work. In UNICEF, a Board member has only once since 1952 successfully proposed a new programme - social services for children. Even that record appears to be better than FAO's where the governing bodies appear to have been generally negative since they turned down Lord Boyd-Orr's proposal for a world food bank. One factor in this situation may be the professional interest of the delegates. In WHO they are generally public health officials or teachers of medicine. In UNESCO they are scientists, university professors, teachers. In UNICEF and FAO there is a predominance of government officials without any professional interest in the work. In the case of UNICEF their instructions tend to come from Foreign Affairs, which again have no professional interest. Of course some of the professional diplomats in the Board of UNICEF have become very much interested in its work, but the proportion at any one time tends to be too small. If the Board tried to raise the proportion of its members with professional qualifications in the many fields relating to child welfare in under-developed countries, it would at the same time begin to interest more ministries in the supporting countries.

Board Machinery: The membership of 30 is too large for easy discussion and the same applies to the programme committee of 15.

Outdated theories: a) Economic value: It is widely assumed that UNICEF assistance has economic value, but this needs definition. Malaria eradication, where UNICEF aid is concentrated on two of the smaller regions because bilateral aid is handling the rest, has an almost immediate economic value. A milk plant has immediate economic value in the district it serves. In other programmes the services given by the international agencies help to start or strengthen programmes that will produce economic value in the course of their subsequent development by the country, but this may be ten years or so in the future.

On the other hand, UNICEF assistance is too small and too diffused to have any direct effect on the balance of payments or the governmental budget of the receiving country. It is hardly necessary to labour this point in relation to 5 cents per child per year in assisted countries. In another way, of looking at it, the \$25,000,000 of UNICEF assistance is about 1/100 of 1 per cent of the national income of the assisted countries (\$220,000 million). The present flow of economic aid to under-developed countries (bilateral and multilateral) is about \$2,000 million in grants and \$900 in net loans.*

The apparently innocent assumption that the dollars allocated by UNICEF have a significant value in relation to balance of payments or the budget, does harm in that it discourages types of project and types of aid which should be the growing points of UNICEF assistance - projects for training of national personnel, for demonstration, projects with a developmental objective. If you believe in UNICEF aid as an aid to budget or balance of payments, it is logical to argue that the country could pay for these projects if it really wanted them. Even if "really" is not supposed to include consideration of sacrificing some expenditure on armaments, most projects assisted by UNICEF could be completely financed by the receiving country. The whole point is that they will not be.

* Figure for 1957/58. Report of the Secretary-General E/3255.

This theory also has a bearing on aid to projects in particular countries. Pushed to its logical conclusion, it would result in aid being concentrated on the country weakest economically, until its level was raised to that of the next, weakest, and so on. No one argues for this but there are objections raised to aiding any project in the financially stronger among the countries assisted by UNICEF. Of course regard does have to be paid to the capacity of countries to provide for their own needs. But it is necessary to recognize that the consideration of financial capacity is frequently opposed by consideration of the value of the project, and the total repercussions to be obtained from a given amount of UNICEF aid. These considerations should be weighed, rather than have the balance tilted by considerations of economic value.

b) Exports: Related to economic value is the assumption that the most valuable form of material aid by UNICEF is imported supplies. As was pointed out to the Board in the Programme Appraisal (UNICEF/MISC/1, paragraphs 94 to 97), this applied particularly to the early years of the Fund. Now that UNICEF aid is going to one hundred different countries and territories and the world economic situation has evolved, the Fund is confronted by a much greater variety of monetary and budgetary policies and administrative regulations. Consequently the form of material aid that has the greatest repercussions is not always the same, and apart from the foreign exchange difficulties, other types of cost can sometimes represent a strategic obstacle to the realization of a project. The Board has accepted this view with some reluctance by approving stipends for local training, subsidies for instructors, and in some cases aid for surveys. Programmes of social services, maternal and child health services and the promotion of new protein-rich foods would be most effectively aided by some local supplies; but these possibilities are not fully accepted by the Board.

c) Matching: One of the strengths of UNICEF has been the philosophy of matching, interpreted to mean that an extraneous activity should not be introduced into a country; that all projects should have local support and should be undertaken with a view to their continuation after the end of international assistance. However, the arithmetic of matching leads to absurdities when interpreted as a requirement that a country should put up new money at least equivalent in value to the

assistance given by UNICEF. While there would be objection to using international resources to allow a country to reduce its budgetary provision for child welfare, what could be the objection to using international resources to help countries get better services out of their present budget and personnel? In some cases these are countries which are all the more deserving of help (and they can make more effective use of it) because they have already tried to tackle problems which UNICEF is helping with elsewhere. With UNICEF's small resources, improvement in the quality of services should be a growing field of UNICEF assistance in regard to health, social services, nutrition and education. Arithmetical matching would rule out a good deal of this. It also excludes developmental projects where the country has to be convinced that new services are worthwhile.

The International Finance Corporation has a matching rule with one vital difference.

"IFC does not finance more than half of the total cost of an enterprise, taking into account funds already invested" (Third Annual Report, 1958-59)

Co-ordination of multiple authorities: The word "co-ordination" as used in the UN is a euphemism for co-operation, because there is no co-ordinating authority above the specialized agencies with their independent governing bodies. Therefore, each agency admitted to participation in a programme has a veto power. Apart from the fact that Board members habitually welcome the participation of additional agencies without recognizing the problems involved, the most damaging effect is by extension of this theory to require different agencies to contribute to the cost of UNICEF assisted projects. Of course, it is desirable to have them do so when they are willing, but to make this a requirement can raise insurmountable obstacles. The problems of UNICEF assistance come to depend on decisions by the governing bodies of other agencies. We seem to be constructing such obstacles in relation to FAO and nutrition work at the present time, because many Board members seem to think they can cease payment for personnel after 1961. It also appears doubtful that aid to social services can be expanded far without UNICEF aid for personnel.

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A remedy to the financial difficulties would be to recognize that UNICEF should assume, where necessary, all the international costs of assistance to a programme or projects from some applied research at the beginning, through project personnel or OPEX personnel during its implementation to evaluation. (Two successive WHO evaluations of ICH have been rendered nearly useless because WHO provided no or few resources for field travel).

Difficulties relating to co-ordination of planning could be greatly reduced if more emphasis were placed on planning by the country concerned, and recognition given and use made where possible of the technical competence of national officials.

Negative decision sufficient: It seems to come naturally to the Board and the secretariat to decide for example not to spend more than \$10 million annually on malaria but not to worry where else our resources are to be spent. Many Board members seem to think that if FAO or Technical Assistance will not provide for project personnel in nutrition projects, they should not be proceeded with; again nobody asks where we would spend our money.

UNICEF "show-off": There seems to be an exaggerated impression of what UNICEF aid accomplishes at its present volume, among Board members and the public. This is a danger that UNICEF shares with some of the specialized agencies.