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FOREWORD:

UN Agencies normally use the existing budget work-programme as the main point of reference in the preparation of the next budget. To a significant extent, the system is dynamically incremental by nature, and programme-driven; most if not all programmes are considered as ongoing activities that ought to be extended another two years. Such flexibility as may exist comes mainly from growth, the nature and scope of the programme evolving as the General Conference instructs the Agency to carry on new, additional tasks.

In the existing system, decisions are made in the following sequence. New programmes are:

- i) formulated either by the Secretariat or the Membership before and during the General Conference;
- ii) approved by the Membership;
- iii) incorporated into the budget work-programme. The programme is then costed and assessments are calculated and apportioned.

The system does not feature an overall budgetary constraint and, as a result, expansion is checked only by tradition or by the pressure exerted by some Member-States to maintain low or zero-real-growth of the overall budget.

Finally, while the UN itself has adopted a medium-term plan and Agencies such as the WHO have defined for themselves broad and longer-term objectives, it is still too often the case that there is no comprehensive and regularly up-dated policy framework to guide the evolution of the programme and determine the rate of budget growth. In these instances, the Agency's constitution, and the mandate it has traditionally carried out, represent the only available compass.