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SOUND MANAGEMENT REQUIRES STRUCTURES THAT ARE FLEXIBLE..

All Agencies invariably face difficulties. These may be occasioned by the programmes themselves if they give rise to delays or cost over-runs, by extraneous factors such as inflation or adverse exchanges, by lack of political support or financial backing from Member-States, or by any of numerous other circumstances.

All Agencies also face opportunities. Their programmes and structures should be flexible enough to ensure that obsolete or ineffective activities can be routinely abolished and that new ideas, innovative projects can be carefully investigated and, if found successful, can give rise to new regularly-funded activities.

It follows that Agencies should have the means to know enough of what lies ahead and, more importantly, the structures to be able to react to the unexpected or unforeseen in order to be able to offer their programmes a reasonable degree of protection. Furthermore, any reaction taken by an Agency should take place in good time and constitute an appropriate response to the difficulty or the opportunity that is being faced.

The proposals provide a variety of instruments or procedures that should enable the Agencies to react in a timely and appropriate fashion. The four most important mechanisms are:

- the possibility to transfer activities between the Regular and the Stand-by Programmes (see Paper VI);
- the possibility to transfer financial resources between the Main and the Back-up Envelopes (see Paper IV);
- the Special Programme (see Paper VII);
- the Facilities for inflation and exchange rates fluctuations (see Papers XII and XIII).