
April 1997

**INTERNATIONAL
ORGANIZATIONS**

**U.S. Participation in
the United Nations
Development Program**





**United States
General Accounting Office
Washington, D.C. 20548**

**National Security and
International Affairs Division**

B-270949

April 17, 1997

The Honorable Jesse A. Helms
Chairman, Committee on Foreign Relations
United States Senate

Dear Mr. Chairman:

This report responds to your request that we conduct a follow-up to our 1990 review of U.S. participation in the United Nations Development Program (UNDP). As agreed with your office, this report provides an assessment of the progress that UNDP has made in reducing its administrative costs and improving its ability to coordinate and assess the impact of U.N. development assistance activities.

We are sending copies of this report to the Administrator of UNDP, the Secretary of State, the Administrator of the U.S. Agency for International Development, and appropriate congressional committees. We will also send copies to other interested parties upon request.

This report was prepared under the direction of Benjamin F. Nelson, Director, International Relations and Trade Issues. He can be reached at (202) 512-4128 if you or your staff have any questions concerning this report. Other major contributors to this report are listed in appendix VI.

Sincerely yours,

A handwritten signature in cursive script that reads "Henry L. Hinton, Jr." The signature is written in dark ink and is positioned above the typed name.

Henry L. Hinton, Jr.
Assistant Comptroller General

Executive Summary

Purpose

The United Nations Development Program's (UNDP) core mission is to help countries achieve sustainable human development. It is the central financing and coordinating mechanism for development assistance within the U.N. system. UNDP works to achieve its mission by providing advisory services, training, and equipment across a variety of sectors, including agriculture and international trade, to developing countries.

In 1990, GAO reported on (1) weaknesses in UNDP's coordination of U.N. development assistance at the country level, (2) problems with UNDP's evaluation of project results, and (3) deficiencies in the level of resources UNDP focused on the priority needs of the least developed countries.¹ In addition, the U.N. Board of Auditors and donor nations have raised concerns over these issues and others such as the cost of UNDP administrative operations and the adequacy of UNDP's internal audit organization. GAO's specific objectives in this report were to provide information and analysis of (1) actions taken in response to recommendations in our 1990 report to improve coordination, project evaluation, and the allocation of resources; (2) the amounts and sources of UNDP budget support; (3) the cost of administering UNDP's headquarters and overseas operations and the extent to which UNDP has reduced these costs, including a comparison of UNDP and U.S. Agency for International Development (USAID) compensation expenditures; (4) the system of audit and internal control UNDP employs to oversee its operations; (5) the criteria UNDP employs to graduate recipient countries from assistance; and (6) the extent to which UNDP projects coincide with U.S. national security and foreign policy objectives.

¹See United Nations: U.S. Participation in the U.N. Development Program (GAO/NSIAD-90-64, Feb. 22, 1990).

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