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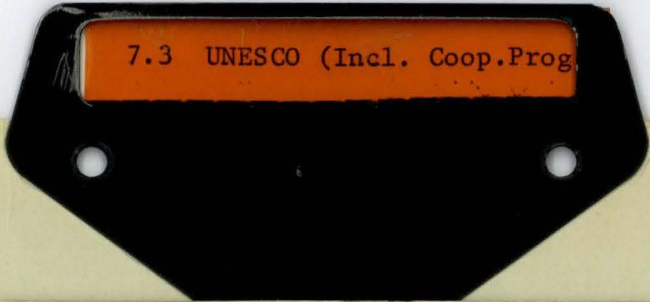
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United Nations Files: United Nations Educational, Scientific and cultural Organization UNESCO (Including Cooperative Program) - 1v

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Unesco

file

United Nations Press Release

Department of Public Information
Press Section
United Nations, New York



UNESCO/2443
10 November 1983

EVOLUTION OF NEW COMMUNICATION ORDER TERMED 'IRREVERSIBLE PROCESS.'
BY UNESCO DIRECTOR-GENERAL

PARIS, 10 November (UNESCO) -- "A new communication order will be born whether we want it or not...", AMADOU MAHTAR M'BOW, Director-General of the United Nations Educational, Scientific and Cultural Organization (UNESCO) said here today after analysing the debates on the draft programme and budget of the organization for 1984 and 1985.

He was addressing the twenty-second session of UNESCO's General Conference, which has been meeting here since 25 October.

That was an evolving and irreversible process, he said, due both to the technological revolution and to the aspirations of many social groups in different regions of the world "to participate more largely and more equitably in the different currents of communication". The new world information and communication order was today considered by a very large majority of Member States as a central concept, "on which will hinge the international community's reflections and actions in the years to come".

Participants' reaction to the proposed major programme for communication, he said, had been a great encouragement to pursue UNESCO's efforts "to remove misunderstandings, to discourage the imputation of ill-intentioned motives and to promote constructive reflection free from dogmatism". Delegations had given importance to operational activities to develop communication while regretting the fact that modest resources were available to the International Programme for the Development of Communication (IPDC).

Resources had been 20 times less than what was needed to meet requests for assistance, he said. The Special Fund had been able to finance only 77 projects for a total of \$3,750,000 up to the present. Quantitative disparities in the situation of communication systems led to "qualitative distortions in the messages produced and disseminated around the world, distortions which give an untrue image of the world when they do not harm the dignity of peoples and even their independence".

(more)

Provided with improved capacities to communicate, to inform and to be informed, he said, "developing countries would not only be able to make their voices heard and express their own points of view in the debate among nations but they would also have available the means to make better progress in the battle against illiteracy, to develop some of their scientific and technological capacity, to preserve their cultural identity and to further increase participation by their peoples in the development taking place, which would greatly contribute to strengthening democracy".

Replying to some reservations which had been expressed that the quest for better balance and more justice in communication would damage the freedom of information and expression, he said: "In fact, it is not a question of reducing freedoms already achieved but of extending them to those in the world who still do not have them. To develop communication capacities where they are weak or even non-existent does not mean prejudicing the freedom of others but creating conditions which will permit all voices to make themselves heard and freedom to become the common property of all."

* * * * *

ROUTING SLIP		DATE: Oct. 19th	
NAME		ROOM NO.	
Mr. M. Burney <i>VR</i>		E-808	
<i>UNESCO file</i>		<i>120</i>	
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE	XX	PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS:			
<p><i>I believe that all or most of this is already in our UNESCO file # 7.3</i></p>			
FROM: Aklilu Habte		ROOM NO.:	EXTENSION:

UNESCO/WORLD BANK COOPERATIVE PROGRAMMEJoint Review of the UNESCO/ WORLD BANK Cooperative Programme¹

Terms-of-Reference

Background of Review

1. Agreement of 1964. A Memorandum of Understanding was agreed upon in 1964 by Unesco and the World Bank which outlined a Unesco/World Bank Cooperative Programme (CP). The memorandum established that Unesco and the Bank, among other things, would cooperate in: (a) assisting countries of common membership in the identification and preparation of educational projects of types which fall within Unesco's field of responsibility and which, in the framework of its economic development objectives and general policies, the Bank is willing to consider for financing; (b) appraising projects of the foregoing types; (c) providing end-use supervision of the execution and operation of Bank-financed projects of the foregoing types; (d) arranging for technical assistance required for the implementation of Bank-financed projects¹.

2. Development after 1964 and the 1976 CP Review. The World Bank Group's education lending increased steadily during the decade following the Memorandum of Understanding and Unesco conducted a considerable amount of project identification and preparation work according to the Memorandum of Understanding while the Bank appraised and supervised them. Only few projects were completed during the period and evaluation of those was shared between the Bank and Unesco. Such sharing took place also in the arrangement of technical assistance, although with some increase in Bank input during the latter part of the period. After 12 years of operations, in 1976, it was felt that CP activities should be reviewed. There had been organizational changes in the Bank and a shift in operating approaches and procedures. Problems existed also in work planning,

1 As with past reviews of the cooperation between the World Bank and Unesco, the joint review described by this document does not cover all aspects of the Cooperative Programme as defined by the 1964 Memorandum of Understanding. It covers only activities (a) to (c) as described above. To cover the technical assistance aspect of the Cooperative Programme, it has been agreed that a distinct but related joint study be made under separate terms-of-reference.

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scheduling and coordination. The past and current CP activities of the Educational Financing Division, were jointly reviewed and a report was presented in January 1977 to the two Organizations. The review report made a number of recommendations for improvements in the cooperation and sharing of tasks between the two Organizations, but the report was never formally accepted.

3. Bank Reviews and Policy Paper 1977-80. Two major reviews of the Bank's work in the field of education were conducted in the later 1970's. An external Advisory Panel in Education was appointed by the World Bank management in 1977 and reviewed the Bank's education lending policies and operations. It made a number of recommendations for improving education lending efficiency and relevance to the needs of the borrowers in a report of October 1978. During the same period, the Bank's Operations Evaluation Department (OED) conducted a comprehensive study of the Bank's education work as well.

4. The policy recommendations of the External Panel and of the OED report were both reflected in the third World Bank Education Sector Policy Paper which was presented to the Bank's Management in 1979 and published in 1980. The Paper, which received Unesco support deals with past, current and future education lending policies and programmes and discusses the situation for the 1980's. The policies as set forth in the Paper have had wide implications for the Bank's education assistance strategy and operations and governs them.

5. Unesco's Medium-Term Plan 1984-89. In December 1982 the Fourth Extraordinary Session of Unesco's General Conference adopted Unesco's Second Medium-Term Plan covering the period 1984-89. By means of the Plan, the Member States identified major issues and problems facing some or all of them in Unesco's fields of competence, decided on major areas of cooperation in these fields, and established the overall policies and priorities for the Organization's service to Its Member States. The Plan therefore will govern Unesco's activities during the period 1984-89.

6. The need for a new Review. The aforementioned developments, along with changes both in Member States' education lending requirements as well as recent changes in the pattern of the Bank's education lending provide justification for a new review. Important changes in Bank lending to education include the

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development of sector lending as an addition to project lending. Also the fast increase in project and sector-related training and in education components of non-education projects, which together in FY82 comprised about 40 per cent of the aggregate lending for education and training, has altered the lending profile considerably. Moreover, an increased emphasis on issue-oriented, in-depth sector work, a systematic use of evaluation and more borrower involvement in the lending cycle has occurred. Finally, it is necessary to examine the cost-effectiveness of the Cooperative Programme as described in the Memorandum of Understanding. Accordingly, the two Organizations, in a meeting held in July 1981, agreed inter alia to review certain aspects of the Cooperative Programme as described below.

Purpose and Scope of the Review

7. The scope of the aforementioned review will cover (a), (b) and (c) of the Memorandum of Understanding (as quoted in paragraph 1), including all aspects of the project cycle i.e. sector work, project identification and preparation, appraisal, supervision, implementation and end-use evaluation. In particular the review will take the following matters into account: (i) changing constraints on educational development in joint Member States; (ii) trends and patterns in Bank education lending; (iii) trends in deployment of Bank and Unesco staff at various stages of the education project cycle; and (iv) trends in the involvement of Member States borrowing for education in various stages of the project cycle.

8. The review will be undertaken, in the light of the present policies and programmes of the two Organizations due account being taken, in accordance with their respective natures, of the 1980 World Bank Education Sector Policy Paper and Unesco's Second Medium-Term Plan (1984-89). The overall purpose of the review is to enhance the effectiveness of the services rendered by the two Organizations to better meet the educational needs of Member States through the Bank's educational assistance programme.

9. In particular, the review will therefore assess on the Unesco side the existing joint financed mechanism (EFD) identify its strengths, weaknesses and constraints, and recommend cost-effective ways to improve its output. In doing so it will examine trends and identify:

wh

- 9.1 implications of Bank and Unesco education programmes on the objectives, types of assistance and resources;
- 9.2 the modalities and efficiency of the EFD including expenditures, manpower, work output, timeliness of output, quality of output, relevance to country priorities and feasibility of recommendations.

10. The review should also examine other ways of improving the cooperation between Unesco and the World Bank.

Product of the Review

11. The product of the review will be a report which will suggest measures which would enhance the effectiveness of Bank/Unesco cooperation. These measures may include inter alia, changes in current agreements, and in the size and role of EFD. Implications for staffing, costs, financing and the CP budget will be clearly enumerated. The comparative advantages of various options will be shown. A programme for the execution of suggested changes will be presented.

Mechanics of the Review

12. The review will be conducted by a Task Force under the guidance of a Steering Committee. The committee will seek to arrive at a consensus on important issues and will, after the finalization and approval of the report, convey it to the Heads of Unesco and the World Bank. Given the in-depth knowledge and statistical information about the CP already available in the two Organizations, and given recent reviews of Bank education lending as well as current budget constraints, both the Task Force and Steering Committee will be kept small. The Task Force will comprise four persons, two each from Unesco and the Bank (one of the latter serving as Chairman), all with considerable CP experience. It will be assisted as needed by consultants and other Bank/Unesco staff and research assistants. The Steering Committee will comprise seven senior officials, three each from Unesco and the Bank and the seventh who will act as Chairman, from outside the two Organizations, and preferably but not necessarily from a LDC member country. The Unesco and Bank managements will jointly appoint the latter.

13. The Steering Committee will provide guidelines to the Task Force within the framework of these Terms-of-Reference, including time-tables for its work, with the objective that the final report would be delivered to the Heads of the Agencies within four months of the initiation of the work. The Steering Committee will

meet as it deems necessary, and exceptionally at the request of the Task Force to provide it with further guidance. The Task Force will conduct the actual review and be responsible for the draft report to be delivered to the Steering Committee.

14. The Task Force will conduct its work in close contact with relevant staff in Unesco and the Bank, through interviews, questionnaires etc., and with appropriate borrowers in member countries. It is of particular importance that the Task Force at various stages of its work liaises with managers in the Bank and Unesco who would be directly responsible for an implementation of Task Force proposals.

Financial Arrangements

15. Regarding the expenses associated with the review: the Bank will pay the salaries, fees, travel and per diem of its members of the Steering Committee and of its members, consultants and research assistants of the Task Force. Unesco will pay from its regular budget the salaries, travel and per diem of its members of the Steering Committee. The salaries, travel and per diem of the Unesco members of the Task Force, as well as of any consultants and research assistants will be covered by the CP budget. The fee, travel and per diem of the Chairman will be shared equally by the two Organizations. The costs of reproducing the report will be paid by the Bank.

Dh

JOINT STUDY OF TECHNICAL ASSISTANCE IN BANK-FINANCED EDUCATION PROJECTS

TERMS-OF-REFERENCE

A. BACKGROUND

1. A Memorandum of Understanding was agreed upon in 1964 by Unesco and the World Bank, which outlined a World Bank/Unesco Cooperative Programme (CP). The Memorandum established that Unesco and the Bank, amongst other things, would cooperate in arranging for technical assistance required for the implementation of Bank-financed projects.

2. The need for a study of this aspect of the Cooperative Programme has been recognized by Unesco and the Bank for some time. During a meeting between the two agencies on July 15-17, 1981, it was agreed that :

"A. A joint study be carried out on how to improve the Bank/Unesco cooperation in light of recent experiences gained by both organizations and of the principles that govern international cooperation.

B. The terms of reference for the joint study will be agreed mutually..."

3. It is now proposed, in the light of experience, to broaden the joint study to include a review of technical assistance in Bank-financed education projects.

B. PURPOSE OF THE STUDY

4. The purpose of the study would be to :

(a) examine and clarify the purpose and intent of the cooperation between Unesco and the Bank envisaged under the 1964 Memorandum

in arranging for and in providing technical assistance required for the implementation of Bank-financed education projects;

- (b) review the record of cooperation between Unesco and the Bank in this regard;
- (c) analyze the experience with technical assistance components of Bank-financed education projects; and,
- (d) make recommendations on the improvement of (i) technical assistance in Bank-financed projects in the education sector, and (ii) cooperation between Unesco and the Bank in technical assistance in Bank-financed education projects.

C. THE SCOPE OF THE STUDY

5. The study would :

- (a) review the relevant documents of the Bank and Unesco pertaining to (i) the cooperation between Unesco and the Bank in regard to technical assistance in Bank-financed projects, and (ii) the scope for participation by Unesco in such technical assistance;
- (b) identify technical assistance components within all Bank-financed education projects 1964-83 and, to the extent that the data are readily available for these components, the field of specialization or purpose, estimated cost, and, in the case of implemented components, how technical assistance services were arranged for, who provided them and how much they cost;
- (c) select a sample of these projects for detailed study of technical assistance components (the selected projects would

need to be reasonably representative of geographical regions, country size, the period 1964-83, type and size of technical assistance components, Unesco involvement in the projects, and "failures" and "successes") and, for this sample of projects, analyze the experience of the technical assistance components in terms of both implementation and results of implemented technical assistance, including time, costs and financing, qualitative aspects, backstopping services, use of Borrower expertise and institutions, training of local staff and institution building, and the rôle of Unesco and the Bank;

- (d) solicit views of Borrowers, Bank staff, Unesco staff and others deemed appropriate, on their experience with technical assistance supplied by Unesco in Bank-financed education projects and on how performance in implementing such technical assistance components might be improved, and the rôle of Unesco in this regard;
- (e) recommend for consideration (i) measures to strengthen the effectiveness of technical assistance components in Bank-financed education projects; (ii) measures, if need be, to further improve the performance of Unesco in providing technical assistance services in Bank-financed education projects; (iii) ways to strengthen the cooperation between Unesco and the Bank in technical assistance in Bank-financed education projects.

D. ARRANGEMENTS FOR CONDUCTING THE STUDY

6. The study will be conducted by a Task Force under the guidance

of a Steering Committee, which will also oversee the review of the Cooperative Programme. The Committee will, after the finalization and approval of the report, convey it to the Heads of Unesco and the World Bank. The Task Force will comprise four persons, two each from the Bank and Unesco (one of the latter serving as Chairman). It will be assisted as needed by consultants and other Bank/Unesco staff and research assistants. At least one member of the Task Force will be assigned by each organization to work full time on the study.

7. The Steering Committee will provide guidelines to the Task Force within the framework of these Terms of Reference, including timetables for its work, with the objective that the final report would be delivered to the Heads of the Agencies within five months of the initiation of the work. The Steering Committee will meet as it deems necessary, and exceptionally at the request of the Task Force to provide it with further guidance. The Task Force will conduct the actual study and be responsible for the draft report to be delivered to the Steering Committee.

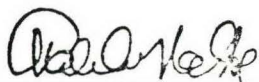
8. The Task Force will interview relevant staff at all levels in Unesco and the Bank and officials of appropriate Borrowers.

E. FINANCIAL ARRANGEMENTS

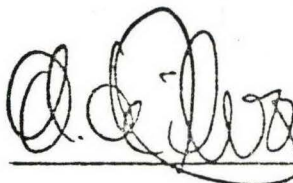
9. Regarding the expenses associated with the Joint Study, the Bank and Unesco shall pay each the salaries, fees, travel and per diem of their members of the Steering Committee and of the Task Force,

.../...

as well as of any of their consultants, of research assistants and of any of the incidental costs incurred by them. The fees, travel and per diem of the Chairman of the Steering Committee and any other cost incurred by him will be shared equally by the two organizations. The costs of reproducing the report will be met by Unesco.



Aklilu Habte
Director,
Education Department (EDC)
WORLD BANK



Alfonso de Silva
Deputy Assistant Director-General
for Operational Activities,
Cooperation for Development and
External Relations Sector (CPX)
U N E S C O

Paris, 11 July 1983

WORLD BANK/UNESCO MEETING

Paris 11-13 July 1983

SUMMARY RECORD

I. General Considerations

(1) The Steering Committee noted the general concordance of views expressed in the Bank's Educational Policy Paper and Unesco's Medium-Term Plan.

(2) It is recognized that both Institutions are equal partners for educational development in their member countries and complement each other in this respect. However, each Institution has certain advantages/disadvantages and strengths/weaknesses vis-à-vis the other which should be clearly identified during the Review, taking into consideration the nature and constitutional mandates of each Institution.

(3) It was agreed that the ultimate objective of the Review should be to improve the efficiency and the effectiveness of the cooperation of the two Institutions to the benefit of the member countries, while taking into consideration the limited resources available and the high degree of competition for such resources among countries and among different sectors of one and the same country.

(4) In evaluating the efficiency and the effectiveness of the Cooperative Programme and in defining the advantages and disadvantages of each of the two Institutions, in addition to financial, other aspects should be taken into account as well.

(5) It was suggested that the Bank's three-year work programme in education could be used as a starting point for the Task Force (Joint Review) in formulating their suggestions and recommendations.

(6) Other parameters which should be taken into account are: (i) the fact that member countries have developed at a different pace and, therefore, are faced with different problems specific to their stage of development; and (ii) that the Bank is addressing in an increasingly flexible manner both financial and non-financial assistance to its member countries.

II. Working Arrangements

(1) It was recognized that there is a need for the two Task Forces to coordinate their work while, at the same time, adhering to their respective terms-of-reference and the Steering Committee's guidelines. In this respect, the Task Forces would communicate directly between them; should a problem arise it should be referred to the Chairman of the Steering Committee who has full authority to take a decision.

(2) The Task Forces would submit their reports to the Chairman of the Steering Committee as indicated in the time-tables submitted by each Task Force and annexed to this record. The final version would be submitted by the Chairman to the Heads of the two Institutions by March 1984.

(3) The next meeting of the Steering Committee would be in Washington DC from October 19 to 21. A third meeting is tentatively planned for early February 1984.

III. Joint Review Task Force

Based on the agreed terms-of-reference (2 May 1983) for the Joint Review of the Unesco/World Bank Cooperative Programme and in particular on the section "purpose and scope of the Review" the Steering Committee in its first meeting formulated the following guidelines.

The Joint Review Task Force which is composed of Mr. Alex ter Weele, (Chairman), Mrs. Eleanor Schreiber, Mr. André Magnen et Mr. Dino Carelli, in carrying out its assignment, keeping in mind the relevance of their task to the needs of the member countries, would:

A. (1) formulate in its report concrete proposals for modus operandi aiming at improving the efficiency and effectiveness of the cooperation of the two Institutions taking into account that: (i) there exist financial and human constraints at both the national and international levels; and (ii) improved communication between the two Institutions is of vital importance for smooth and effective cooperation;

(2) suggest possible quality control measures aiming at improving the end product, including ways and means for better definition of the various tasks and the establishment of control criteria prior to the execution of these tasks;

(3) examine ways and means of improving the cooperation between the two Institutions and in that connection review briefly the reasons for discontinuing the "Expanded Cooperative Programme Agreement" in 1974; and

(4) examine the need and formulate concrete proposals on the establishment of work plans, indicating priorities, on a periodical basis.

B. With regard to procedural matters, the Review Task Force would:

(1) use interviews with government officials in member countries primarily for verification of hypotheses on future orientation rather than as a fact finding process, keeping a low profile; and

(2) avoid lengthy reviews of past records except if such reviews are vital to the formulation of recommendations.

C. The report should be concise and relatively short with actionable recommendations and supporting appendices and annexes as deemed necessary.

IV. Joint Study Task Force

The Steering Committee in its first meeting recognized that:

(1) The Bank's role in providing technical assistance to member countries under its administration budget and within the framework of its project cycle is different from that played in the provision of technical assistance through the use of loan proceeds by the borrower for project implementation, the latter being obtained from a variety of sources (bilateral, multilateral, private consulting firms); and

(2) in the latter context the Bank's overriding concern would be to assist the borrower in procuring the most effective and efficient technical assistance possible, choosing from among the several qualified sources available in each particular case.

Bearing the above-mentioned facts in mind, the study would nevertheless be carried out in such a way as to assist Unesco in assessing its own efficiency and effectiveness as a major supplier of technical assistance.

The Committee, taking into account the agreed terms-of-reference for the Study of Technical Assistance (11 July 1983) and in particular the section "purpose and scope of the study", formulated the following guidelines.

The Joint Study Task Force which is composed of Messrs. Eric Prabhakar, (Chairman), Ioannis Antoniadis, Ralph Romain and Kye Woo Lee, in carrying out its assignment would:

A. (1) review, inter alia, quantitative and qualitative trends and based on this review, would formulate concrete proposals on ways and means of serving best the borrowing member countries;

(2) consider trends and relative magnitude of technical assistance provided by sources other than Unesco (multilateral, regional, bilateral);

(3) evaluate the effectiveness and efficiency of the implementation of technical assistance project components and, based on such evaluation, examine approaches to the provision of technical assistance within the context of an increasing desire of the member countries to become self-sufficient in this respect;

(4) review processes for monitoring, supervising and evaluating the implementation of technical assistance components;

(5) examine major difficulties and problems resulting from recruitment procedures, quality of experts, provision of training and institutional back-up, reporting, etc; and

(6) take into account point (2) and (3) of the General Considerations.

B. With regard to procedural matters, the Study Task Force would use interviews with government officials in member countries primarily for verification of hypotheses on future orientation rather than as fact finding process, keeping a low profile.

C. The report should be concise and relatively short with actionable recommendations and supporting appendices and annexes as deemed necessary.

V. Other Matters

(1) Upon request from Unesco, a World Bank member of the Steering Committee described the factors involved in decisions made over time in the growth rates of the Education staff of the Bank and the posts financed within the Cooperative Programmes.

(2) It was agreed that the Chairman will visit FAO and ILO from 10 to 12 October 1983, accompanied by Mr. de Silva to be briefed on the development and modalities of their cooperation with the World Bank.

13.7.83

WORK PROGRAMME OF THE TASK FORCE
ON THE JOINT REVIEW OF THE COOPERATIVE PROGRAMME

- July - First meeting of the Steering Committee
 . Issuance of instructions to the Task Force
- August - Collection of appropriate documentation
- Compilation of selected statistics
- Development of the three-year World Bank education work programme
- Development of the interview guide
- September - Field trip (1 trip, 2 countries)
- Initial interviews (Unesco staff, EPD staff, Bank education staff, other Bank staff, and selected visitors to Paris and Washington)
- Initial identification of Issues
- Development of the outline of the Issues Papers
- Oct. 1-15 - Drafting of the Issues Papers
- Drafting of the outline of the Report
- Oct. 19-21 - Second meeting of the Steering Committee
 . Presentation of the Issues Papers
 . Presentation of the outline of the Report
- November - Field trip (1 trip, 2 countries)
- Further interviews (focussed on discussing alternative recommendations)
- Finalization of Report outline
- Finalization of statistical data
- Dec. 1-
Jan. 31 - Drafting of the Report
- Feb. 1-15 - Third meeting of the Steering Committee
 . Presentation of the draft Report
- Feb. 15-
March 15 - Revision of the Report
- March 15-31 - Fourth meeting of the Steering Committee (if needed)
 . Presentation of the final Report

13.7.83

WORK PROGRAMME OF THE TASK FORCE
ON THE JOINT STUDY OF TECHNICAL ASSISTANCE

- July**
- First meeting of the Steering Committee
 - Retrieving basic data on TA in all projects
 - Retrieving basic data on TA supplied by Unesco
- August**
- Preparation of papers on findings and trends derived from basic data
 - Commence preparation of papers on Bank and Unesco policy and practices relating to TA
 - Commence review of literature on TA
 - Background to relevant parts of CP memo of understanding
 - Selection of countries and projects for detailed study
 - Preparation for country visits
 - Commence file research on selected projects
- September**
- Completion of reports on Bank and Unesco policies and practices relating to TA
 - Completion of the report on TA literature
 - Completion of file research on selected projects
 - Interviews with Bank Staff
- October 1-15**
- Field trips (2 missions, each covering 2 countries)
- October 16-18**
- Preparation of the papers for the Second Steering Committee meeting
- October 19-21**
- Reporting to the Second Meeting of the Steering Committee
- October 24-31**
- Field Trip (2 missions of 1 country each)
- November 1-15**
- Discussions at Unesco of findings of missions, discussions with Unesco staff and Government officials
 - Design of report; allocation of report; writing assignments; agreements on major recommendations

U.S., Quit Unesco

By Owen Harries

WASHINGTON — A State Department review of America's relations with Unesco — the United Nations Educational, Scientific and Cultural Organization — has firmly recommended that the United States withdraw from that organization. If the United States withdraws, there will be important implications for Unesco — good ones, in my opinion — and for American relations with the rest of the United Nations system. If it does not withdraw after such a recommendation, the view widely prevalent in Unesco — that the United States is a paper tiger — will be greatly strengthened and the United States' credibility there will be extremely low.

Unesco is in a bad state — much worse than the rest of the United Nations or any other specialized agency associated with it.

Unesco is a thoroughly politicized institution dedicated to attacking fun-

damental Western values, interests and institutions. It attacks and seeks to circumscribe the free Western press. It characterizes Western culture as an "imperialist" threat to the identity of other peoples. It attacks the free-market economy and multinational corporations. It seeks to downgrade individual human rights in favor of nebulous and proliferating "rights of peoples," thus helping tyrannical states to impose their orthodoxies on their subjects. Its pronouncements on the complex and delicate issues of peace and disarmament — subjects on which it is incompetent — are biased and hostile to the Western case. It is consistently

hostile to Israel and provides political and financial support to the Palestine Liberation Organization.

It is not merely the third world majority and the Soviet-bloc member countries that engage in these attacks. The Unesco Secretariat — up to and most definitely including the Director General, Amadou Mahtar M'Bow, of Senegal — is thoroughly politicized and anti-American. On the other hand, the organization is mostly silent about the sins of totalitarian regimes and repressive third world countries. (It is worth noting, because it conveys something of the atmosphere of the organization, that when President François Mitterrand

of France expelled 49 Soviet spies earlier this year, a quarter of them were connected with Unesco.)

Unesco is also appallingly mangled and administered. A recent poll of members of the Secretariat showed that only 3 percent of those polled considered that Unesco recruited high quality people or promoted on the basis of professional efficiency. Basic features of good management such as objective evaluation of programs, comprehensible information about the budget, the efficient allocation of resources and adherence to proper procedures in meetings are conspicuous by their absence. Unlike other United Nations agencies, Unesco has strenuously resisted curtailing its budget to near zero growth, as requested by the major contributors. (It initially asked for a 9.6 percent increase for 1984-85 and has finally got a 3.5 to 5 percent increase.)

Given these characteristics, it seems to me that the United States should withdraw from Unesco. It is politically and morally wrong for it to lend authority and legitimacy — and to provide some \$50 million a year, or 25 percent of Unesco's budget — to such an organization.

Some people will dispute this conclusion and argue that the United States should stay and work to improve things from the inside. But this has been tried over the last few years and it has failed. The problem is that the deck at Unesco is so stacked — by the one-member, one-vote system; the biased and confrontational Director General, the politicized Secretariat, the widespread use of patronage and the divorce of funding from decision making — that no amount of effort will effect significant change. The problem is a political one and will yield only to a political solution.

An announcement of the United States' intention to withdraw would register a salutary shock in Unesco. Pragmatic third world countries would have to think again, weigh the costs of uninhibited anti-Americanism and consider seriously the advisability of putting the Unesco house in order. It would also have a healthy effect on America's relations with the

other parts of the United Nations system.

Above all, a decision to withdraw would have a good effect on the United States itself. A country that takes its ideas and its values seriously cannot, without doing damage to its sense of itself, afford to subsidize an organization that systematically undermines those ideas and values and that shows consistent hostility to the institutions that embody them.

Owen Harries was Australian Ambassador to Unesco during 1982-83 and before that was senior adviser to then Prime Minister Malcolm Fraser. He is now a fellow at the Heritage Foundation, a public-policy organization.

than this. Winston Churchill observed that a leader bent down to keep his ear to the ground presents an uninspiring view to his followers. Government hunkered down behind concrete is even less inspiring, particularly when it's a Government that preaches the strength of an open society.

Well, of course, we must consider the security problem. Ours is an open society obsessed with security. We worry incessantly about Social Security, buy insurance to provide security for our next-of-kin after we shuffle off this mortal coil.

Security guards shadow us as we study trinkets at the dime store. Security details accompany our Presidents, their families and our Presidential candidates when they step out to buy a valentine; follow our former Presidents around the golf course; accompany the wives of our former Presidents when they go shopping.

Real estate developers' ads boast the security built into their constructions. Television monitors in the laundry room, C.I.A. window locks, electronic warning lights, armed security agents at the gatehouse.

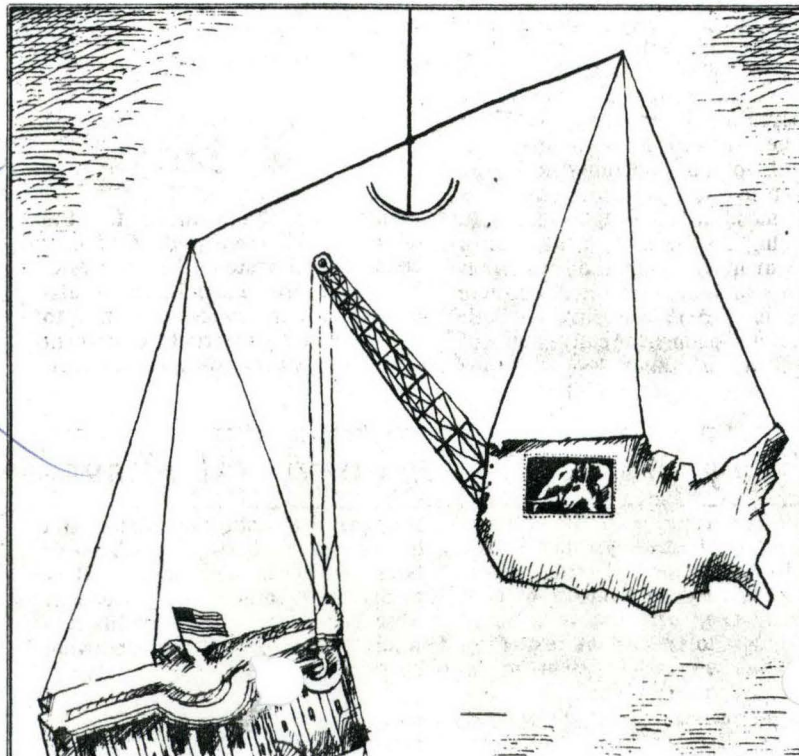
Millions of Americans keep pistons in the house for security. Millions submit happily to airport metal detectors' scrutiny for security. For security the Government constantly expands its nuclear arsenal, wages

A Way To Tackle Deficits

By James D. Robinson 3d

The United States has passed a melancholy milestone: the highest Federal deficit in history — more than \$195 billion in fiscal 1983. Deficits of similar magnitude, or larger, are expected in years to come. Meanwhile, Washington is paralyzed and divided against itself, and the political and economic impasse will become even more crippling as elections draw near. So it is critical that we try, now, to find a way out.

The danger is plain enough. Around the world, finance ministers, central bankers and business people are virtually unanimous in their opinion that if the world is to emerge from global



OFFICE MEMORANDUM

DATE: October 17, 1983

TO: Mr. Ernest Stern

THROUGH: S. Shahid Husain

FROM: Aklilu Habte *Aklilu Habte*

EXTENSION: 7-2553

SUBJECT: Mr. Sippanondha Ketudat's Visit with You

1. You have agreed to meet with Professor Sippanondha Ketudat of the Chulalongkorn University, Bangkok, and former Minister of Education in Thailand, on October 17, 1983, at 4:00 p.m. in your office.
2. Mr. Sippanondha is visiting the Bank in connection with the Second Meeting of the Steering Committee of which he is the Chairman. As you know, the Bank and Unesco are jointly conducting two reviews on educational matters of mutual concern. One is the review of the Unesco Cooperative Program which has been going on since 1964 and the other is a study of Bank-financed technical assistance executed by Unesco. Each study is carried out by a joint task force under the supervision of a Steering Committee. The Steering Committee consists of three representatives from each institution chaired by an outside person, Mr. Sippanondha Ketudat. (A copy of the terms of reference of the two studies is attached.)
3. Mr. Sippanondha is a low-keyed, articulate scientist and development practitioner, very well known and respected in the Third World and other international fora. He was the 'behind the scene' initiator of several of the regional educational institutions in the Southeast Region, which are functioning satisfactorily, unlike their regional counterparts in other areas of the world. He is familiar with the Bank as he has worked with our colleagues in the East Asia Education Division in his former capacity and as a member of the External Advisory Panel on Education appointed by the Bank in late 1977. In addition, he is a member of the Governing Board of the International Institute of Educational Planning, an affiliate of Unesco.
4. The first meeting of the Steering Committee took place in Paris on July 11-13 (copy of the minutes attached). At this meeting, the Steering Committee organized the two task forces, clarified a number of issues included in the terms of reference, discussed and agreed on broad methodological and procedural questions, and approved the work program and timetable of the two task forces. It also agreed that its second meeting should take place in Washington on October 19-21. Between meetings, each task force is expected to prepare a set of brief and focused issues papers and the presentation of an annotated outline of its report. The main agenda item of the second meeting is to review and discuss these reports.

5. Mr. Sippanondha is coming to Washington via Geneva and Rome where he is expected to have discussed the FAO Cooperative Program with FAO officials and the informal Bank/ILO cooperation with appropriate ILO officials. Here in the Bank, he is scheduled to meet Mr. Husain and other Regional Vice Presidents, project directors, education division chiefs, the Technical Cooperation Adviser of PAS and the director of the International Relations Department. This should provide him with ample opportunity to discuss the procedural and substantive issues surrounding the cooperative program as viewed by the Bank management.

6. It is my understanding that the major topic of conversation with you from his side is likely to center around the questions:

- Why did the World Bank employ the Cooperative Program's style and approach of relationships with UN specialized agencies?
- Did the Bank consider other alternative forms and mechanisms of cooperation, and, for certain reasons, decide this approach to be better?
- Are the conditions and assumptions, prevalent at the time the cooperative program was agreed, still valid?

7. These were the kinds of questions Mr. Sippanondha keeps on raising and that, in his opinion, should be addressed directly to the top management of the two institutions. There is no written documentation which captures the answers why the Bank used this form of cooperation. There is, however, an appreciation by both agencies of the changing circumstances in the world requiring a review and adjustment. Hence the present review.

8. It is suggested that your conversation with him includes the following areas:

- An explanation of the changing global economic and financial circumstances impacting the developing countries and our institutions, an assessment of priorities, method of work, and forms of cooperation, including the Cooperative Programs.
- The complexity of the development work as a result of progress made by some countries (e.g., increased institutional managerial competence) whilst others, notably LDCs, are facing extremely difficult circumstances (e.g., continued absence of basic skills) necessitating even further more differentiated forms of cooperation and assistance.
- Some explanation of the acquisition of Bank competence in the management of development as a result of nearly four decades of cumulative experience in certain fields and two decades in education, which did not exist at the time the Cooperative Program was initiated.

- An explanation of the diversity and multiplicity of institutions with which the Bank cooperates and works together, indicating the readiness and assurance of the Bank to continue to cooperate, but
- As a pragmatic development institution, our continued relationships would depend, among other things, on the cost-effectiveness, quality and relevance of service the Bank and member countries get from the services of Unesco, in general, and the cooperative program, in particular.
- The product of the review is expected to be a concise and relatively short report with actionable recommendations, suggesting measures which would enhance the effectiveness of Bank/Unesco cooperation, and concrete measures to remedy the major concerns and Bank staff-identified weaknesses of the cooperative program. ^{1/}

9. You will note that the above deal with the review of the Cooperative Program, but not with the study of Bank-financed, Unesco-executed technical assistance. We feel that, at this time, this study should not be accelerated at your level. However, should any questions be raised, I would be prepared to handle them.

1/ These include weaknesses in:

- the managerial and staff quality;
- superficial and unsatisfactory consultation mechanism practiced in the recruitment of Cooperative Program staff;
- the weak internal quality-control mechanism used in processing Cooperative Program work; and increasingly,
- the approach, nature and relevance of Cooperative Program service to Bank/country priorities in the light of changing circumstances.

Mr. Sippanondha Ketudat's Schedule
of Appointment with Upper Management

	<u>October 17th</u>	<u>October 18th</u>
Phaichitr Uathavikul Executive Director - Thailand (Room E-1330)	11:00 a.m.	
Luncheon with Mr. S. Husain (Vice President, Operations Policy Staff) and Regional Project Directors	12:15 p.m.*	
Mr. E. Stern Senior Vice President-Operations (Room E-1227)	4:00 p.m.	
Mr. S. J. Burki Director - International Relations Department (Room E-812)	5:00 p.m.	
Mr. F. Lethem Technical Cooperation Adviser (Room D-1049)		9:30 a.m.
Mr. W. A. Wapenhans Vice President - Eastern Africa Regional Office (Room B-1210)		11:00 a.m.
Education Division Chiefs Meeting (Room D-1130)		2:30 p.m.
Mr. A. D. Knox Vice President - Western Africa Regional Office (Room A-313)		4:00 p.m.

* Mr. Husain will meet with Mr. Sippanondha at 12:15 p.m. in his office (Room E-1023). Luncheon scheduled at 12:30 p.m. (Executive Dining Room "E", Room 3).

OFFICE MEMORANDUM

DATE: October 14, 1983

TO: Mr. Shahid Javed Burki, Director, IRD

FROM: Vincent J. Riley, IRD *VJR*

EXTENSION: 74455

SUBJECT: UNESCO CP Review and Technical Assistance Study

UNESCO-flw

1. On October 17, you will meet with Mr. Sippanondha Ketudat, former Minister of Education in Thailand and currently Chairman of the Bank/UNESCO Steering Committee, overseeing a study of Bank/UNESCO collaboration on educational matters.

2. Actually, there are two studies under way, each being conducted by its own task force. The Steering Committee oversees both. The first task force is looking at the Bank/UNESCO cooperative program in the broadest sense. Its terms of reference begin with the second page of the attachment, and present no particular problems for the Bank.

3. The second study, "Technical Assistance in Bank-Financed Education Projects" has been much more difficult to work out. In fact, the Bank preferred not to participate in such a study at all. Finally, we agreed to go along, on the basis of the positions recognized by the parties and spelled out on page 4 of the "Summary Record" (another of the documents attached).

4. The key problem is the role which the Bank recognizes for UNESCO. The 1964 Cooperative Program Agreement called for cooperation in, inter alia, "arranging for technical assistance required for the implementation of Bank-financed projects." At the time the Bank financed little or no technical assistance under its loans. Despite this, however, UNESCO has been arguing that it should be recognized to have some special role in implementation of technical assistance components of education loans. Our position is that decisions on implementation rest, in all cases, with the borrower, and that we cannot and will not impose on borrowers a requirement to use UNESCO in that process or give UNESCO any preferred status. In fact, 15 or so borrowers currently are contracting with UNESCO for such services, with our concurrence. But some borrowers, and some Bank staff, are unhappy with UNESCO's performance in past cases and are negatively inclined to using them in the future.

5. The latter, of course, is a problem that presents itself in many borrower-agency situations. We have various efforts under way inside and outside the Bank to improve agency opportunities in this

area (our agency seminar last February; a discussion in CCSQ(OPS) last week, etc.). These will continue. But there is no simple, neat solution to overcome UNESCO's image and perception problems.

6. Otherwise, you will note in the terms-of-reference for this second study that some attempt will be made to review and evaluate some samples of experience in implementation of education projects. Past correspondence with UNESCO suggests that it will seek to prove it can do a better job, more cheaply. I doubt this is "provable". Even if it is, it does not change the basic proposition, that the Bank considers that choice of consultants is the borrower's decision, not ours. To UNESCO's chagrin, the Bank has declined to accept the proposition that UNESCO must be accorded a status of something more than a "consulting firm", when it comes to project implementation.

7. Basically, both these studies are being organized, in the Bank, by Education Projects. We have been cooperating, putting their staff and consultants in touch with useful sources of evaluation information, etc. Thus, I will be interested in knowing the outcome of your meeting.

Attachment

VJRiley:rd

10/6/83

Mr. Riley:

Do you mind providing Mr. Burki a briefing on the attached. He is scheduled to see this gentleman on October 17, 1983. Thanks,

A handwritten signature in red ink, appearing to be 'Riley', is written in a cursive style.

THE WORLD BANK/INTERNATIONAL FINANCE CORPORATION
OFFICE MEMORANDUM

DATE: October 4, 1983

TO: Mr. S. J. Burki, Director, IRD

FROM: Aklilu Habte, Director, EDC *Aklilu Habte*

EXTENSION: 72553

SUBJECT: Unesco Cooperative Program Review and Technical Assistance Study

1. As you know, the Bank and Unesco are jointly conducting two studies on educational matters of mutual concern. One is a review of the Unesco Cooperative Program, the other a study of Bank-financed technical assistance executed by Unesco. Each study is carried out by a joint Task Force under the supervision of a Steering Committee. The Steering Committee is chaired by an outside person, Mr. Sippanondha Ketudat, former Minister of Education in Thailand. He was also a member of the 1977 Bank's External Advisory Panel on Education, and a member of the Governing Board of the International Institute of Educational Planning.

2. The next meeting of the Steering Commission will take place October 19-21, in the Bank. The Chairman of the Committee will visit the Bank two days before the meeting to form an idea of upper management views on the Cooperative Program and provision of technical assistance under Bank projects. He did this with Unesco before the meeting in Paris. Mr. Husain thought it would be useful for Mr. Sippanondha to discuss these matters with you before the meeting. **A meeting has therefore been scheduled for you on October 17, 1983 at 5:00 p.m.** A copy of the terms of reference of the two studies is attached, along with minutes of the first meeting of the Steering Committee.

Attachment

cc: Mr. Husain

2 May 1983

18.00 hours

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UNESCO/WORLD BANK COOPERATIVE PROGRAMME

Joint Review of the UNESCO/ WORLD BANK Cooperative Programme¹

Terms-of-Reference

Background of Review

1. Agreement of 1964. A Memorandum of Understanding was agreed upon in 1964 by Unesco and the World Bank which outlined a Unesco/World Bank Cooperative Programme (CP). The memorandum established that Unesco and the Bank, among other things, would cooperate in: (a) assisting countries of common membership in the identification and preparation of educational projects of types which fall within Unesco's field of responsibility and which, in the framework of its economic development objectives and general policies, the Bank is willing to consider for financing; (b) appraising projects of the foregoing types; (c) providing end-use supervision of the execution and operation of Bank-financed projects of the foregoing types; (d) arranging for technical assistance required for the implementation of Bank-financed projects¹.

2. Development after 1964 and the 1976 CP Review. The World Bank Group's education lending increased steadily during the decade following the Memorandum of Understanding and Unesco conducted a considerable amount of project identification and preparation work according to the Memorandum of Understanding while the Bank appraised and supervised them. Only few projects were completed during the period and evaluation of those was shared between the Bank and Unesco. Such sharing took place also in the arrangement of technical assistance, although with some increase in Bank input during the latter part of the period. After 12 years of operations, in 1976, it was felt that CP activities should be reviewed. There had been organizational changes in the Bank and a shift in operating approaches and procedures. Problems existed also in work planning,

¹ As with past reviews of the cooperation between the World Bank and Unesco, the joint review described by this document does not cover all aspects of the Cooperative Programme as defined by the 1964 Memorandum of Understanding. It covers only activities (a) to (c) as described above. To cover the technical assistance aspect of the Cooperative Programme, it has been agreed that a distinct but related joint study be made under separate terms-of-reference.

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scheduling and coordination. The past and current CP activities of the Educational Financing Division, were jointly reviewed and a report was presented in January 1977 to the two Organizations. The review report made a number of recommendations for improvements in the cooperation and sharing of tasks between the two Organizations, but the report was never formally accepted.

3. Bank Reviews and Policy Paper 1977-80. Two major reviews of the Bank's work in the field of education were conducted in the later 1970's. An external Advisory Panel in Education was appointed by the World Bank management in 1977 and reviewed the Bank's education lending policies and operations. It made a number of recommendations for improving education lending efficiency and relevance to the needs of the borrowers in a report of October 1978. During the same period, the Bank's Operations Evaluation Department (OED) conducted a comprehensive study of the Bank's education work as well.

4. The policy recommendations of the External Panel and of the OED report were both reflected in the third World Bank Education Sector Policy Paper which was presented to the Bank's Management in 1979 and published in 1980. The Paper, which received Unesco support deals with past, current and future education lending policies and programmes and discusses the situation for the 1980's. The policies as set forth in the Paper have had wide implications for the Bank's education assistance strategy and operations and governs them.

5. Unesco's Medium-Term Plan 1984-89. In December 1982 the Fourth Extraordinary Session of Unesco's General Conference adopted Unesco's Second Medium-Term Plan covering the period 1984-89. By means of the Plan, the Member States identified major issues and problems facing some or all of them in Unesco's fields of competence, decided on major areas of cooperation in these fields, and established the overall policies and priorities for the Organization's service to its Member States. The Plan therefore will govern Unesco's activities during the period 1984-89.

6. The need for a new Review. The aforementioned developments, along with changes both in Member States' education lending requirements as well as recent changes in the pattern of the Bank's education lending provide justification for a new review. Important changes in Bank lending to education include the

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development of sector lending as an addition to project lending. Also the fast increase in project and sector-related training and in education components of non-education projects, which together in FY82 comprised about 40 per cent of the aggregate lending for education and training, has altered the lending profile considerably. Moreover, an increased emphasis on issue-oriented, in-depth sector work, a systematic use of evaluation and more borrower involvement in the lending cycle has occurred. Finally, it is necessary to examine the cost-effectiveness of the Cooperative Programme as described in the Memorandum of Understanding. Accordingly, the two Organizations, in a meeting held in July 1981, agreed inter alia to review certain aspects of the Cooperative Programme as described below.

Purpose and Scope of the Review

7. The scope of the aforementioned review will cover (a), (b) and (c) of the Memorandum of Understanding (as quoted in paragraph 1), including all aspects of the project cycle i.e. sector work, project identification and preparation, appraisal, supervision, implementation and end-use evaluation. In particular the review will take the following matters into account: (i) changing constraints on educational development in joint Member States; (ii) trends and patterns in Bank education lending; (iii) trends in deployment of Bank and Unesco staff at various stages of the education project cycle; and (iv) trends in the involvement of Member States borrowing for education in various stages of the project cycle.

8. The review will be undertaken, in the light of the present policies and programmes of the two Organizations due account being taken, in accordance with their respective natures, of the 1980 World Bank Education Sector Policy Paper and Unesco's Second Medium-Term Plan (1984-89). The overall purpose of the review is to enhance the effectiveness of the services rendered by the two Organizations to better meet the educational needs of Member States through the Bank's educational assistance programme.

9. In particular, the review will therefore assess on the Unesco side the existing joint financed mechanism (EFD) identify its strengths, weaknesses and constraints, and recommend cost-effective ways to improve its output. In doing so it will examine trends and identify:

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- 9.1 implications of Bank and Unesco education programmes on the objectives, types of assistance and resources;
- 9.2 the modalities and efficiency of the EFD including expenditures, manpower, work output, timeliness of output, quality of output, relevance to country priorities and feasibility of recommendations.

10. The review should also examine other ways of improving the cooperation between Unesco and the World Bank.

Product of the Review

11. The product of the review will be a report which will suggest measures which would enhance the effectiveness of Bank/Unesco cooperation. These measures may include inter alia, changes in current agreements, and in the size and role of EFD. Implications for staffing, costs, financing and the CP budget will be clearly enumerated. The comparative advantages of various options will be shown. A programme for the execution of suggested changes will be presented.

Mechanics of the Review

12. The review will be conducted by a Task Force under the guidance of a Steering Committee. The committee will seek to arrive at a consensus on important issues and will, after the finalization and approval of the report, convey it to the Heads of Unesco and the World Bank. Given the in-depth knowledge and statistical information about the CP already available in the two Organizations, and given recent reviews of Bank education lending as well as current budget constraints, both the Task Force and Steering Committee will be kept small. The Task Force will comprise four persons, two each from Unesco and the Bank (one of the latter serving as Chairman), all with considerable CP experience. It will be assisted as needed by consultants and other Bank/Unesco staff and research assistants. The Steering Committee will comprise seven senior officials, three each from Unesco and the Bank and the seventh who will act as Chairman, from outside the two Organizations, and preferably but not necessarily from a LDC member country. The Unesco and Bank managements will jointly appoint the latter.

13. The Steering Committee will provide guidelines to the Task Force within the framework of these Terms-of-Reference, including time-tables for its work, with the objective that the final report would be delivered to the Heads of the Agencies within four months of the initiation of the work. The Steering Committee will

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meet as it deems necessary, and exceptionally at the request of the Task Force to provide it with further guidance. The Task Force will conduct the actual review and be responsible for the draft report to be delivered to the Steering Committee.

14. The Task Force will conduct its work in close contact with relevant staff in Unesco and the Bank, through interviews, questionnaires etc., and with appropriate borrowers in member countries. It is of particular importance that the Task Force at various stages of its work liaises with managers in the Bank and Unesco who would be directly responsible for an implementation of Task Force proposals.

Financial Arrangements

15. Regarding the expenses associated with the review: the Bank will pay the salaries, fees, travel and per diem of its members of the Steering Committee and of its members, consultants and research assistants of the Task Force. Unesco will pay from its regular budget the salaries, travel and per diem of its members of the Steering Committee. The salaries, travel and per diem of the Unesco members of the Task Force, as well as of any consultants and research assistants will be covered by the CP budget. The fee, travel and per diem of the Chairman will be shared equally by the two Organizations. The costs of reproducing the report will be paid by the Bank.

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JOINT STUDY OF TECHNICAL ASSISTANCE IN BANK-FINANCED EDUCATION PROJECTS

TERMS-OF-REFERENCE

A. BACKGROUND

1. A Memorandum of Understanding was agreed upon in 1964 by Unesco and the World Bank, which outlined a World Bank/Unesco Cooperative Programme (CP). The Memorandum established that Unesco and the Bank, amongst other things, would cooperate in arranging for technical assistance required for the implementation of Bank-financed projects.

2. The need for a study of this aspect of the Cooperative Programme has been recognized by Unesco and the Bank for some time. During a meeting between the two agencies on July 15-17, 1981, it was agreed that :

"A. A joint study be carried out on how to improve the Bank/Unesco cooperation in light of recent experiences gained by both organizations and of the principles that govern international cooperation.

B. The terms of reference for the joint study will be agreed mutually..."

3. It is now proposed, in the light of experience, to broaden the joint study to include a review of technical assistance in Bank-financed education projects.

B. PURPOSE OF THE STUDY

4. The purpose of the study would be to :

(a) , examine and clarify the purpose and intent of the cooperation between Unesco and the Bank envisaged under the 1964 Memorandum

in arranging for and in providing technical assistance required for the implementation of Bank-financed education projects;

- (b) review the record of cooperation between Unesco and the Bank in this regard;
- (c) analyze the experience with technical assistance components of Bank-financed education projects; and,
- (d) make recommendations on the improvement of (i) technical assistance in Bank-financed projects in the education sector, and (ii) cooperation between Unesco and the Bank in technical assistance in Bank-financed education projects.

C. THE SCOPE OF THE STUDY

5. The study would :

- (a) review the relevant documents of the Bank and Unesco pertaining to (i) the cooperation between Unesco and the Bank in regard to technical assistance in Bank-financed projects, and (ii) the scope for participation by Unesco in such technical assistance;
- (b) identify technical assistance components within all Bank-financed education projects 1964-83 and, to the extent that the data are readily available for these components, the field of specialization or purpose, estimated cost, and, in the case of implemented components, how technical assistance services were arranged for, who provided them and how much they cost;
- (c) select a sample of these projects for detailed study of technical assistance components (the selected projects would

need to be reasonably representative of geographical regions, country size, the period 1964-83, type and size of technical assistance components, Unesco involvement in the projects, and "failures" and "successes") and, for this sample of projects, analyze the experience of the technical assistance components in terms of both implementation and results of implemented technical assistance, including time, costs and financing, qualitative aspects, backstopping services, use of Borrower expertise and institutions, training of local staff and institution building, and the rôle of Unesco and the Bank;

- (d) solicit views of Borrowers, Bank staff, Unesco staff and others deemed appropriate, on their experience with technical assistance supplied by Unesco in Bank-financed education projects and on how performance in implementing such technical assistance components might be improved, and the rôle of Unesco in this regard;
- (e) recommend for consideration (i) measures to strengthen the effectiveness of technical assistance components in Bank-financed education projects; (ii) measures, if need be, to further improve the performance of Unesco in providing technical assistance services in Bank-financed education projects; (iii) ways to strengthen the cooperation between Unesco and the Bank in technical assistance in Bank-financed education projects.

D. ARRANGEMENTS FOR CONDUCTING THE STUDY

6. The study will be conducted by a Task Force under the guidance

of a Steering Committee, which will also oversee the review of the Cooperative Programme. The Committee will, after the finalization and approval of the report, convey it to the Heads of Unesco and the World Bank. The Task Force will comprise four persons, two each from the Bank and Unesco (one of the latter serving as Chairman). It will be assisted as needed by consultants and other Bank/Unesco staff and research assistants. At least one member of the Task Force will be assigned by each organization to work full time on the study.

7. The Steering Committee will provide guidelines to the Task Force within the framework of these Terms of Reference, including timetables for its work, with the objective that the final report would be delivered to the Heads of the Agencies within five months of the initiation of the work. The Steering Committee will meet as it deems necessary, and exceptionally at the request of the Task Force to provide it with further guidance. The Task Force will conduct the actual study and be responsible for the draft report to be delivered to the Steering Committee.

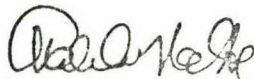
8. The Task Force will interview relevant staff at all levels in Unesco and the Bank and officials of appropriate Borrowers.

E. FINANCIAL ARRANGEMENTS

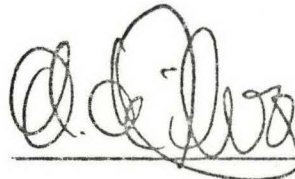
9. Regarding the expenses associated with the Joint Study, the Bank and Unesco shall pay each the salaries, fees, travel and per diem of their members of the Steering Committee and of the Task Force,

.../...

as well as of any of their consultants, of research assistants and of any of the incidental costs incurred by them. The fees, travel and per diem of the Chairman of the Steering Committee and any other cost incurred by him will be shared equally by the two organizations. The costs of reproducing the report will be met by Unesco.



Aklilu Habte
Director,
Education Department (EDC)
WORLD BANK



Alfonso de Silva
Deputy Assistant Director-General
for Operational Activities,
Cooperation for Development and
External Relations Sector (CPX)
U N E S C O

Paris, 11 July 1983

WORLD BANK/UNESCO MEETING

Paris 11-13 July 1983

SUMMARY RECORD

I. General Considerations

(1) The Steering Committee noted the general concordance of views expressed in the Bank's Educational Policy Paper and Unesco's Medium-Term Plan.

(2) It is recognized that both Institutions are equal partners for educational development in their member countries and complement each other in this respect. However, each Institution has certain advantages/disadvantages and strengths/weaknesses vis-à-vis the other which should be clearly identified during the Review, taking into consideration the nature and constitutional mandates of each Institution.

(3) It was agreed that the ultimate objective of the Review should be to improve the efficiency and the effectiveness of the cooperation of the two Institutions to the benefit of the member countries, while taking into consideration the limited resources available and the high degree of competition for such resources among countries and among different sectors of one and the same country.

(4) In evaluating the efficiency and the effectiveness of the Cooperative Programme and in defining the advantages and disadvantages of each of the two Institutions, in addition to financial, other aspects should be taken into account as well.

(5) It was suggested that the Bank's three-year work programme in education could be used as a starting point for the Task Force (Joint Review) in formulating their suggestions and recommendations.

(6) Other parameters which should be taken into account are: (i) the fact that member countries have developed at a different pace and, therefore, are faced with different problems specific to their stage of development; and (ii) that the Bank is addressing in an increasingly flexible manner both financial and non-financial assistance to its member countries.

II. Working Arrangements

(1) It was recognized that there is a need for the two Task Forces to coordinate their work while, at the same time, adhering to their respective terms-of-reference and the Steering Committee's guidelines. In this respect, the Task Forces would communicate directly between them; should a problem arise it should be referred to the Chairman of the Steering Committee who has full authority to take a decision.

(2) The Task Forces would submit their reports to the Chairman of the Steering Committee as indicated in the time-tables submitted by each Task Force and annexed to this record. The final version would be submitted by the Chairman to the Heads of the two Institutions by March 1984.

(3) The next meeting of the Steering Committee would be in Washington DC from October 19 to 21. A third meeting is tentatively planned for early February 1984.

III. Joint Review Task Force

Based on the agreed terms-of-reference (2 May 1983) for the Joint Review of the Unesco/World Bank Cooperative Programme and in particular on the section "purpose and scope of the Review" the Steering Committee in its first meeting formulated the following guidelines.

The Joint Review Task Force which is composed of Mr. Alex ter Weele, (Chairman), Mrs. Eleanor Schreiber, Mr. André Magnen et Mr. Dino Carelli, in carrying out its assignment, keeping in mind the relevance of their task to the needs of the member countries, would:

A. (1) formulate in its report concrete proposals for modus operandi aiming at improving the efficiency and effectiveness of the cooperation of the two Institutions taking into account that: (i) there exist financial and human constraints at both the national and international levels; and (ii) improved communication between the two Institutions is of vital importance for smooth and effective cooperation;

(2) suggest possible quality control measures aiming at improving the end product, including ways and means for better definition of the various tasks and the establishment of control criteria prior to the execution of these tasks;

(3) examine ways and means of improving the cooperation between the two Institutions and in that connection review briefly the reasons for discontinuing the "Expanded Cooperative Programme Agreement" in 1974; and

(4) examine the need and formulate concrete proposals on the establishment of work plans, indicating priorities, on a periodical basis.

B. With regard to procedural matters, the Review Task Force would:

(1) use interviews with government officials in member countries primarily for verification of hypotheses on future orientation rather than as a fact finding process, keeping a low profile; and

(2) avoid lengthy reviews of past records except if such reviews are vital to the formulation of recommendations.

C. The report should be concise and relatively short with actionable recommendations and supporting appendices and annexes as deemed necessary.

IV. Joint Study Task Force

The Steering Committee in its first meeting recognized that:

(1) The Bank's role in providing technical assistance to member countries under its administration budget and within the framework of its project cycle is different from that played in the provision of technical assistance through the use of loan proceeds by the borrower for project implementation, the latter being obtained from a variety of sources (bilateral, multilateral, private consulting firms); and

(2) in the latter context the Bank's overriding concern would be to assist the borrower in procuring the most effective and efficient technical assistance possible, choosing from among the several qualified sources available in each particular case.

Bearing the above-mentioned facts in mind, the study would nevertheless be carried out in such a way as to assist Unesco in assessing its own efficiency and effectiveness as a major supplier of technical assistance.

The Committee, taking into account the agreed terms-of-reference for the Study of Technical Assistance (11 July 1983) and in particular the section "purpose and scope of the study", formulated the following guidelines.

The Joint Study Task Force which is composed of Messrs. Eric Prabhakar, (Chairman), Ioannis Antoniadés, Ralph Romain and Kye Woo Lee, in carrying out its assignment would:

A. (1) review, inter alia, quantitative and qualitative trends and based on this review, would formulate concrete proposals on ways and means of serving best the borrowing member countries;

(2) consider trends and relative magnitude of technical assistance provided by sources other than Unesco (multilateral, regional, bilateral);

(3) evaluate the effectiveness and efficiency of the implementation of technical assistance project components and, based on such evaluation, examine approaches to the provision of technical assistance within the context of an increasing desire of the member countries to become self-sufficient in this respect;

(4) review processes for monitoring, supervising and evaluating the implementation of technical assistance components;

(5) examine major difficulties and problems resulting from recruitment procedures, quality of experts, provision of training and institutional back-up, reporting, etc; and

(6) take into account point (2) and (3) of the General Considerations.

B. With regard to procedural matters, the Study Task Force would use interviews with government officials in member countries primarily for verification of hypotheses on future orientation rather than as fact finding process, keeping a low profile.

C. The report should be concise and relatively short with actionable recommendations and supporting appendices and annexes as deemed necessary.

V. Other Matters

(1) Upon request from Unesco, a World Bank member of the Steering Committee described the factors involved in decisions made over time in the growth rates of the Education staff of the Bank and the posts financed within the Cooperative Programmes.

(2) It was agreed that the Chairman will visit FAO and ILO from 10 to 12 October 1983, accompanied by Mr. de Silva to be briefed on the development and modalities of their cooperation with the World Bank.

13.7.83

WORK PROGRAMME OF THE TASK FORCE
ON THE JOINT REVIEW OF THE COOPERATIVE PROGRAMME

- July
- First meeting of the Steering Committee
 - . Issuance of instructions to the Task Force
- August
- Collection of appropriate documentation
 - Compilation of selected statistics
 - Development of the three-year World Bank education work programme
 - Development of the interview guide
- September
- Field trip (1 trip, 2 countries)
 - Initial interviews (Unesco staff, EFD staff, Bank education staff, other Bank staff, and selected visitors to Paris and Washington)
 - Initial identification of Issues
 - Development of the outline of the Issues Papers
- Oct. 1-15
- Drafting of the Issues Papers
 - Drafting of the outline of the Report
- Oct. 19-21
- Second meeting of the Steering Committee
 - . Presentation of the Issues Papers
 - . Presentation of the outline of the Report
- November
- Field trip (1 trip, 2 countries)
 - Further interviews (focussed on discussing alternative recommendations)
 - Finalization of Report outline
 - Finalization of statistical data
- Dec. 1-
Jan. 31
- Drafting of the Report
- Feb. 1-15
- Third meeting of the Steering Committee
 - . Presentation of the draft Report
- Feb. 15-
March 15
- Revision of the Report
- March 15-31
- Fourth meeting of the Steering Committee (if needed)
 - . Presentation of the final Report

13.7.83

WORK PROGRAMME OF THE TASK FORCE
ON THE JOINT STUDY OF TECHNICAL ASSISTANCE

- July
- First meeting of the Steering Committee
 - Retrieving basic data on TA in all projects
 - Retrieving basic data on TA supplied by Unesco
- August
- Preparation of papers on findings and trends derived from basic data
 - Commence preparation of papers on Bank and Unesco policy and practices relating to TA
 - Commence review of literature on TA
 - Background to relevant parts of CP memo of understanding
 - Selection of countries and projects for detailed study
 - Preparation for country visits
 - Commence file research on selected projects
- September
- Completion of reports on Bank and Unesco policies and practices relating to TA
 - Completion of the report on TA literature
 - Completion of file research on selected projects
 - Interviews with Bank Staff
- October 1-15
- Field trips (2 missions, each covering 2 countries)
- October 16-18
- Preparation of the papers for the Second Steering Committee meeting
- October 19-21
- Reporting to the Second Meeting of the Steering Committee
- October 24-31
- Field Trip (2 missions of 1 country each)
- November 1-15
- Discussions at Unesco of findings of missions, discussions with Unesco staff and Government officials
 - Design of report; allocation of report; writing assignments; agreements on major recommendations

- Nov. 15 - Dec. 2 - Preparation of draft report
- ! Dec. 5 - 10 - Finalization of draft report
- December 18 - Submission of draft report to Steering Committee

October 14, 1983

Mr. Shahid Javed Burki, Director, IRD

Vincent J. Riley, IRD

74455

UNESCO CP Review and Technical Assistance Study

1. On October 17, you will meet with Mr. Sippanondha Ketudat, former Minister of Education in Thailand and currently Chairman of the Bank/UNESCO Steering Committee, overseeing a study of Bank/UNESCO collaboration on educational matters.

2. Actually, there are two studies under way, each being conducted by its own task force. The Steering Committee oversees both. The first task force is looking at the Bank/UNESCO cooperative program in the broadest sense. Its terms of reference begin with the second page of the attachment, and present no particular problems for the Bank.

3. The second study, "Technical Assistance in Bank-Financed Education Projects" has been much more difficult to work out. In fact, the Bank preferred not to participate in such a study at all. Finally, we agreed to go along, on the basis of the positions recognized by the parties and spelled out on page 4 of the "Summary Record" (another of the documents attached).

4. The key problem is the role which the Bank recognizes for UNESCO. The 1964 Cooperative Program Agreement called for cooperation in, inter alia, "arranging for technical assistance required for the implementation of Bank-financed projects." At the time the Bank financed little or no technical assistance under its loans. Despite this, however, UNESCO has been arguing that it should be recognized to have some special role in implementation of technical assistance components of education loans. Our position is that decisions on implementation rest, in all cases, with the borrower, and that we cannot and will not impose on borrowers a requirement to use UNESCO in that process or give UNESCO any preferred status. In fact, 15 or so borrowers currently are contracting with UNESCO for such services, with our concurrence. But some borrowers, and some Bank staff, are unhappy with UNESCO's performance in past cases and are negatively inclined to using them in the future.

5. The latter, of course, is a problem that presents itself in many borrower-agency situations. We have various efforts under way inside and outside the Bank to improve agency opportunities in this

area (our agency seminar last February; a discussion in CCSQ(OPS) last week, etc.). These will continue. But there is no simple, neat solution to overcome UNESCO's image and perception problems.

6. Otherwise, you will note in the terms-of-reference for this second study that some attempt will be made to review and evaluate some samples of experience in implementation of education projects. Past correspondence with UNESCO suggests that it will seek to prove it can do a better job, more cheaply. I doubt this is "provable". Even if it is, it does not change the basic proposition, that the Bank considers that choice of consultants is the borrower's decision, not ours. To UNESCO's chagrin, the Bank has declined to accept the proposition that UNESCO must be accorded a status of something more than a "consulting firm", when it comes to project implementation.

7. Basically, both these studies are being organized, in the Bank, by Education Projects. We have been cooperating, putting their staff and consultants in touch with useful sources of evaluation information, etc. Thus, I will be interested in knowing the outcome of your meeting.

Attachment

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20 SEPTEMBER 1983

JOHANSON, COPY BURNIEY. RE UNESCO VISIT TO ILO RE COOPERATIVE PROGRAM REVIEW. UNESCO HAS CALLED SRIVASTAVA SAYING THEZ WILL VISIT 11 OCTOBER, ALTHOUGH JAIN AND OTHER SENIORS ABSENT. SRIVASTAVA WILL SEE THEM. HE WILL PROVIDE ME WITH FULL PROGRAM ONCE FIXED. REGARDS, CHATENAY/

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August 5, 1983

Mr. Peter L. Chatenay
World Bank Representative
to the United Nations, Geneva
ITC Building
54 Rue de Montbrillant
Geneva, Switzerland

Dear Mr. Chatenay:

As you perhaps know, the long awaited review of the UNESCO Cooperative Program has now been launched, and the first meeting of the Joint Steering Committee and the two task forces took place in Paris in July. The meeting was chaired by Mr. Sippanondha Ketudat of Thailand. From the enclosed copy of Mr. Aklilu's memo to Mr. Husain, you will note that Mr. Ketudat accompanied by Mr. Alfonso de Silva, Deputy Assistant Director-General for Operational Activities, UNESCO (and a member of the Steering Committee) would like to visit ILO October 10-12 to exchange experiences with ILO management of their cooperation with the Bank in the area of education and training.

I would appreciate it very much if you could make arrangements for this visit by contacting the appropriate persons in ILO. Please let me know what appointments have been made and I will convey them to Messrs. Ketudat and de Silva.

Sincerely,

Richard K. Johanson
Acting Director
Education Department

P.S. I attach the final terms of reference for the two studies for your information, along with the summary record of the first Steering Committee meeting.

OFFICE MEMORANDUM

DATE July 18, 1983

TO Mr. S. Shahid Husain, OPSVP

FROM Aklilu Habte, EDC *Aklilu Habte*

EXTENSION 72553

SUBJECT World Bank/Unesco Meeting, Paris, July 11-13, 1983

1. As agreed between the two institutions, the first meeting of the Joint Steering Committee and the two Task Forces took place in Paris on the above dates. The meeting was chaired by Mr. Sippanondha Ketudat of Thailand.
2. The agenda and timetable of the meeting are attached. Background Bank and Unesco documents were earlier and during the meeting distributed to Steering Committee and Task Force members for information. (See attached list.)
3. The meeting achieved, amongst other things, the following:
 - Provided an opportunity for members of the Steering Committee, Joint Review and Study Task Force members to begin to interact as a team, which is an important feature for the successful completion of the Review and Study.
 - Provided to all an opportunity to clarify a number of issues included in the terms of reference and others that were raised in the course of the discussion. The points of consensus are recorded in the Summary Record attached to this memo.
 - Some broad methodological and procedural pointers, as well as working arrangements, were discussed and noted in the Summary Record as helpful guides to the two Task Forces.
 - The suggested work program and timetable of the Task Forces of the Joint Review and the Joint Study were discussed and approved by the Steering Committee, as appended to the Summary Record. It is to be noted, for example, that the completion dates are being extended by at least two months due to a variety of reasons, including the unavailability of key staff during the summer season.
 - The second meeting of the Steering Committee will take place in Washington on October 19-21, at which time both Task Forces will submit Issues Papers and Annotated Outlines of their Reports for discussion.

July 18, 1983

- It was agreed that both reports should not be long and bulky, but should be "concise and relatively short, with actionable recommendations and supporting appendices and annexes ..."
- It was also agreed that prior to the second meeting the Chairman, accompanied by Mr. Alfonso de Silva of Unesco, should pay a short visit (October 10-12, 1983) to FAO and ILO "to be briefed on the development and modalities of their cooperation with The World Bank." The Chairman has, furthermore, expressed interest in meeting with a few senior Bank managers immediately before the second meeting, as he did in Unesco prior to the first meeting.

NOTE

4. It was generally felt on both sides that there was a "give and take" attitude, and that the atmosphere, unlike previous experiences, was positive and cooperative.

cc: Messrs. Vergin and Loh (Steering Committee)
Mr. Yudelman, AGR

Attachments

AH/hl

2 May 1983

18.00 hours

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May 7UNESCO/WORLD BANK COOPERATIVE PROGRAMMEJoint Review of the UNESCO/ WORLD BANK Cooperative Programme¹

Terms-of-Reference

Background of Review

1. Agreement of 1964. A Memorandum of Understanding was agreed upon in 1964 by Unesco and the World Bank which outlined a Unesco/World Bank Cooperative Programme (CP). The memorandum established that Unesco and the Bank, among other things, would cooperate in: (a) assisting countries of common membership in the identification and preparation of educational projects of types which fall within Unesco's field of responsibility and which, in the framework of its economic development objectives and general policies, the Bank is willing to consider for financing; (b) appraising projects of the foregoing types; (c) providing end-use supervision of the execution and operation of Bank-financed projects of the foregoing types; (d) arranging for technical assistance required for the implementation of Bank-financed projects¹.

2. Development after 1964 and the 1976 CP Review. The World Bank Group's education lending increased steadily during the decade following the Memorandum of Understanding and Unesco conducted a considerable amount of project identification and preparation work according to the Memorandum of Understanding while the Bank appraised and supervised them. Only few projects were completed during the period and evaluation of those was shared between the Bank and Unesco. Such sharing took place also in the arrangement of technical assistance, although with some increase in Bank input during the latter part of the period. After 12 years of operations, in 1976, it was felt that CP activities should be reviewed. There had been organizational changes in the Bank and a shift in operating approaches and procedures. Problems existed also in work planning,

¹ As with past reviews of the cooperation between the World Bank and Unesco, the joint review described by this document does not cover all aspects of the Cooperative Programme as defined by the 1964 Memorandum of Understanding. It covers only activities (a) to (c) as described above. To cover the technical assistance aspect of the Cooperative Programme, it has been agreed that a distinct but related joint study be made under separate terms-of-reference.

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scheduling and coordination. The past and current CP activities of the Educational Financing Division, were jointly reviewed and a report was presented in January 1977 to the two Organizations. The review report made a number of recommendations for improvements in the cooperation and sharing of tasks between the two Organizations, but the report was never formally accepted.

3. Bank Reviews and Policy Paper 1977-80. Two major reviews of the Bank's work in the field of education were conducted in the later 1970's. An external Advisory Panel in Education was appointed by the World Bank management in 1977 and reviewed the Bank's education lending policies and operations. It made a number of recommendations for improving education lending efficiency and relevance to the needs of the borrowers in a report of October 1978. During the same period, the Bank's Operations Evaluation Department (OED) conducted a comprehensive study of the Bank's education work as well.

4. The policy recommendations of the External Panel and of the OED report were both reflected in the third World Bank Education Sector Policy Paper which was presented to the Bank's Management in 1979 and published in 1980. The Paper, which received Unesco support deals with past, current and future education lending policies and programmes and discusses the situation for the 1980's. The policies as set forth in the Paper have had wide implications for the Bank's education assistance strategy and operations and governs them.

5. Unesco's Medium-Term Plan 1984-89. In December 1982 the Fourth Extraordinary Session of Unesco's General Conference adopted Unesco's Second Medium-Term Plan covering the period 1984-89. By means of the Plan, the Member States identified major issues and problems facing some or all of them in Unesco's fields of competence, decided on major areas of cooperation in these fields, and established the overall policies and priorities for the Organization's service to its Member States. The Plan therefore will govern Unesco's activities during the period 1984-89.

6. The need for a new Review. The aforementioned developments, along with changes both in Member States' education lending requirements as well as recent changes in the pattern of the Bank's education lending provide justification for a new review. Important changes in Bank lending to education include the

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development of sector lending as an addition to project lending. Also the fast increase in project and sector-related training and in education components of non-education projects, which together in FY82 comprised about 40 per cent of the aggregate lending for education and training, has altered the lending profile considerably. Moreover, an increased emphasis on issue-oriented, in-depth sector work, a systematic use of evaluation and more borrower involvement in the lending cycle has occurred. Finally, it is necessary to examine the cost-effectiveness of the Cooperative Programme as described in the Memorandum of Understanding. Accordingly, the two Organizations, in a meeting held in July 1981, agreed *inter alia* to review certain aspects of the Cooperative Programme as described below.

Purpose and Scope of the Review

7. The scope of the aforementioned review will cover (a), (b) and (c) of the Memorandum of Understanding (as quoted in paragraph 1), including all aspects of the project cycle i.e. sector work, project identification and preparation, appraisal, supervision, implementation and end-use evaluation. In particular the review will take the following matters into account: (i) changing constraints on educational development in joint Member States; (ii) trends and patterns in Bank education lending; (iii) trends in deployment of Bank and Unesco staff at various stages of the education project cycle; and (iv) trends in the involvement of Member States borrowing for education in various stages of the project cycle.

8. The review will be undertaken, in the light of the present policies and programmes of the two Organizations due account being taken, in accordance with their respective natures, of the 1980 World Bank Education Sector Policy Paper and Unesco's Second Medium-Term Plan (1984-89). The overall purpose of the review is to enhance the effectiveness of the services rendered by the two Organizations to better meet the educational needs of Member States through the Bank's educational assistance programme.

9. In particular, the review will therefore assess on the Unesco side the existing joint financed mechanism (EFD) identify its strengths, weaknesses and constraints, and recommend cost-effective ways to improve its output. In doing so it will examine trends and identify:

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- 9.1 implications of Bank and Unesco education programmes on the objectives, types of assistance and resources;
- 9.2 the modalities and efficiency of the EFD including expenditures, manpower, work output, timeliness of output, quality of output, relevance to country priorities and feasibility of recommendations.

10. The review should also examine other ways of improving the cooperation between Unesco and the World Bank.

Product of the Review

11. The product of the review will be a report which will suggest measures which would enhance the effectiveness of Bank/Unesco cooperation. These measures may include inter alia, changes in current agreements, and in the size and role of EFD. Implications for staffing, costs, financing and the CP budget will be clearly enumerated. The comparative advantages of various options will be shown. A programme for the execution of suggested changes will be presented.

Mechanics of the Review

12. The review will be conducted by a Task Force under the guidance of a Steering Committee. The committee will seek to arrive at a consensus on important issues and will, after the finalization and approval of the report, convey it to the Heads of Unesco and the World Bank. Given the in-depth knowledge and statistical information about the CP already available in the two Organizations, and given recent reviews of Bank education lending as well as current budget constraints, both the Task Force and Steering Committee will be kept small. The Task Force will comprise four persons, two each from Unesco and the Bank (one of the latter serving as Chairman), all with considerable CP experience. It will be assisted as needed by consultants and other Bank/Unesco staff and research assistants. The Steering Committee will comprise seven senior officials, three each from Unesco and the Bank and the seventh who will act as Chairman, from outside the two Organizations, and preferably but not necessarily from a LDC member country. The Unesco and Bank managements will jointly appoint the latter.

13. The Steering Committee will provide guidelines to the Task Force within the framework of these Terms-of-Reference, including time-tables for its work, with the objective that the final report would be delivered to the Heads of the Agencies within four months of the initiation of the work. The Steering Committee will

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meet as it deems necessary, and exceptionally at the request of the Task Force to provide it with further guidance. The Task Force will conduct the actual review and be responsible for the draft report to be delivered to the Steering Committee.

14. The Task Force will conduct its work in close contact with relevant staff in Unesco and the Bank, through interviews, questionnaires etc., and with appropriate borrowers in member countries. It is of particular importance that the Task Force at various stages of its work liaises with managers in the Bank and Unesco who would be directly responsible for an implementation of Task Force proposals.

Financial Arrangements

15. Regarding the expenses associated with the review: the Bank will pay the salaries, fees, travel and per diem of its members of the Steering Committee and of its members, consultants and research assistants of the Task Force. Unesco will pay from its regular budget the salaries, travel and per diem of its members of the Steering Committee. The salaries, travel and per diem of the Unesco members of the Task Force, as well as of any consultants and research assistants will be covered by the CP budget. The fee, travel and per diem of the Chairman will be shared equally by the two Organizations. The costs of reproducing the report will be paid by the Bank.

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WORLD BANK/UNESCO COOPERATIVE PROGRAMME

JOINT STUDY OF TECHNICAL ASSISTANCE IN BANK-FINANCED EDUCATION PROJECTS

TERMS-OF-REFERENCE

A. BACKGROUND

1. A Memorandum of Understanding was agreed upon in 1964 by Unesco and the World Bank, which outlined a World Bank/Unesco Cooperative Programme (CP). The Memorandum established that Unesco and the Bank, amongst other things, would cooperate in arranging for technical assistance required for the implementation of Bank-financed projects.

2. The need for a study of this aspect of the Cooperative Programme has been recognized by Unesco and the Bank for some time. During a meeting between the two agencies on July 15-17, 1981, it was agreed that :

- "A. A joint study be carried out on how to improve the Bank/Unesco cooperation in light of recent experiences gained by both organizations and of the principles that govern international cooperation.
- B. The terms of reference for the joint study will be agreed mutually..."

3. It is now proposed, in the light of experience, to broaden the joint study to include a review of technical assistance in Bank-financed education projects.

B. PURPOSE OF THE STUDY

4. The purpose of the study would be to :

- (a) examine and clarify the purpose and intent of the cooperation between Unesco and the Bank envisaged under the 1964 Memorandum

in arranging for and in providing technical assistance required for the implementation of Bank-financed education projects;

- (b) review the record of cooperation between Unesco and the Bank in this regard;
- (c) analyze the experience with technical assistance components of Bank-financed education projects; and,
- (d) make recommendations on the improvement of (i) technical assistance in Bank-financed projects in the education sector, and (ii) cooperation between Unesco and the Bank in technical assistance in Bank-financed education projects.

C. THE SCOPE OF THE STUDY

5. The study would :

- (a) review the relevant documents of the Bank and Unesco pertaining to (i) the cooperation between Unesco and the Bank in regard to technical assistance in Bank-financed projects, and (ii) the scope for participation by Unesco in such technical assistance;
- (b) identify technical assistance components within all Bank-financed education projects 1964-83 and, to the extent that the data are readily available for these components, the field of specialization or purpose, estimated cost, and, in the case of implemented components, how technical assistance services were arranged for, who provided them and how much they cost;
- (c) select a sample of these projects for detailed study of technical assistance components (the selected projects would

need to be reasonably representative of geographical regions, country size, the period 1964-83, type and size of technical assistance components, Unesco involvement in the projects, and "failures" and "successes") and, for this sample of projects, analyze the experience of the technical assistance components in terms of both implementation and results of implemented technical assistance, including time, costs and financing, qualitative aspects, backstopping services, use of Borrower expertise and institutions, training of local staff and institution building, and the rôle of Unesco and the Bank;

- (d) solicit views of Borrowers, Bank staff, Unesco staff and others deemed appropriate, on their experience with technical assistance supplied by Unesco in Bank-financed education projects and on how performance in implementing such technical assistance components might be improved, and the rôle of Unesco in this regard;
- (e) recommend for consideration (i) measures to strengthen the effectiveness of technical assistance components in Bank-financed education projects; (ii) measures, if need be, to further improve the performance of Unesco in providing technical assistance services in Bank-financed education projects; (iii) ways to strengthen the cooperation between Unesco and the Bank in technical assistance in Bank-financed education projects.

D. ARRANGEMENTS FOR CONDUCTING THE STUDY

- 6. The study will be conducted by a Task Force under the guidance

of a Steering Committee, which will also oversee the review of the Cooperative Programme. The Committee will, after the finalization and approval of the report, convey it to the Heads of Unesco and the World Bank. The Task Force will comprise four persons, two each from the Bank and Unesco (one of the latter serving as Chairman). It will be assisted as needed by consultants and other Bank/Unesco staff and research assistants. At least one member of the Task Force will be assigned by each organization to work full time on the study.

7. The Steering Committee will provide guidelines to the Task Force within the framework of these Terms of Reference, including timetables for its work, with the objective that the final report would be delivered to the Heads of the Agencies within five months of the initiation of the work. The Steering Committee will meet as it deems necessary, and exceptionally at the request of the Task Force to provide it with further guidance. The Task Force will conduct the actual study and be responsible for the draft report to be delivered to the Steering Committee.

8. The Task Force will interview relevant staff at all levels in Unesco and the Bank and officials of appropriate Borrowers.

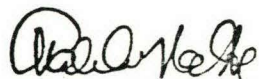
E. FINANCIAL ARRANGEMENTS

9. Regarding the expenses associated with the Joint Study, the Bank and Unesco shall pay each the salaries, fees, travel and per diem of their members of the Steering Committee and of the Task Force,

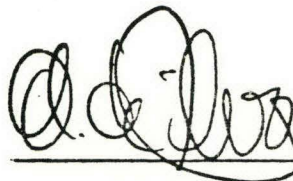
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as well as of any of their consultants, of research assistants and of any of the incidental costs incurred by them. The fees, travel and per diem of the Chairman of the Steering Committee and any other cost incurred by him will be shared equally by the two organizations. The costs of reproducing the report will be met by Unesco.



Aklilu Habte
Director,
Education Department (EDC)
WORLD BANK



Alfonso de Silva
Deputy Assistant Director-General
for Operational Activities,
Cooperation for Development and
External Relations Sector (CPX)
U N E S C O

Paris, 11 July 1983

WORLD BANK/UNESCO MEETING

Paris 11-13 July 1983

SUMMARY RECORD

I. General Considerations

(1) The Steering Committee noted the general concordance of views expressed in the Bank's Educational Policy Paper and Unesco's Medium-Term Plan.

(2) It is recognized that both Institutions are equal partners for educational development in their member countries and complement each other in this respect. However, each Institution has certain advantages/disadvantages and strengths/weaknesses vis-à-vis the other which should be clearly identified during the Review, taking into consideration the nature and constitutional mandates of each Institution.

(3) It was agreed that the ultimate objective of the Review should be to improve the efficiency and the effectiveness of the cooperation of the two Institutions to the benefit of the member countries, while taking into consideration the limited resources available and the high degree of competition for such resources among countries and among different sectors of one and the same country.

(4) In evaluating the efficiency and the effectiveness of the Cooperative Programme and in defining the advantages and disadvantages of each of the two Institutions, in addition to financial, other aspects should be taken into account as well.

(5) It was suggested that the Bank's three-year work programme in education could be used as a starting point for the Task Force (Joint Review) in formulating their suggestions and recommendations.

(6) Other parameters which should be taken into account are: (i) the fact that member countries have developed at a different pace and, therefore, are faced with different problems specific to their stage of development; and (ii) that the Bank is addressing in an increasingly flexible manner both financial and non-financial assistance to its member countries.

II. Working Arrangements

(1) It was recognized that there is a need for the two Task Forces to coordinate their work while, at the same time, adhering to their respective terms-of-reference and the Steering Committee's guidelines. In this respect, the Task Forces would communicate directly between them; should a problem arise it should be referred to the Chairman of the Steering Committee who has full authority to take a decision.

(2) The Task Forces would submit their reports to the Chairman of the Steering Committee as indicated in the time-tables submitted by each Task Force and annexed to this record. The final version would be submitted by the Chairman to the Heads of the two Institutions by March 1984.

(3) The next meeting of the Steering Committee would be in Washington DC from October 19 to 21. A third meeting is tentatively planned for early February 1984.

III. Joint Review Task Force

Based on the agreed terms-of-reference (2 May 1983) for the Joint Review of the Unesco/World Bank Cooperative Programme and in particular on the section "purpose and scope of the Review" the Steering Committee in its first meeting formulated the following guidelines.

The Joint Review Task Force which is composed of Mr. Alex ter Weele, (Chairman), Mrs. Eleanor Schreiber, Mr. André Magnen et Mr. Dino Carelli, in carrying out its assignment, keeping in mind the relevance of their task to the needs of the member countries, would:

A. (1) formulate in its report concrete proposals for modus operandi aiming at improving the efficiency and effectiveness of the cooperation of the two Institutions taking into account that: (i) there exist financial and human constraints at both the national and international levels; and (ii) improved communication between the two Institutions is of vital importance for smooth and effective cooperation;

(2) suggest possible quality control measures aiming at improving the end product, including ways and means for better definition of the various tasks and the establishment of control criteria prior to the execution of these tasks;

(3) examine ways and means of improving the cooperation between the two Institutions and in that connection review briefly the reasons for discontinuing the "Expanded Cooperative Programme Agreement" in 1974; and

(4) examine the need and formulate concrete proposals on the establishment of work plans, indicating priorities, on a periodical basis.

B. With regard to procedural matters, the Review Task Force would:

(1) use interviews with government officials in member countries primarily for verification of hypotheses on future orientation rather than as a fact finding process, keeping a low profile; and

(2) avoid lengthy reviews of past records except if such reviews are vital to the formulation of recommendations.

C. The report should be concise and relatively short with actionable recommendations and supporting appendices and annexes as deemed necessary.

IV. Joint Study Task Force

The Steering Committee in its first meeting recognized that:

(1) The Bank's role in providing technical assistance to member countries under its administration budget and within the framework of its project cycle is different from that played in the provision of technical assistance through the use of loan proceeds by the borrower for project implementation, the latter being obtained from a variety of sources (bilateral, multilateral, private consulting firms); and

(2) in the latter context the Bank's overriding concern would be to assist the borrower in procuring the most effective and efficient technical assistance possible, choosing from among the several qualified sources available in each particular case.

Bearing the above-mentioned facts in mind, the study would nevertheless be carried out in such a way as to assist Unesco in assessing its own efficiency and effectiveness as a major supplier of technical assistance.

The Committee, taking into account the agreed terms-of-reference for the Study of Technical Assistance (11 July 1983) and in particular the section "purpose and scope of the study", formulated the following guidelines.

The Joint Study Task Force which is composed of Messrs. Eric Prabhakar, (Chairman), Ioannis Antoniadis, Ralph Romain and Kye Woo Lee, in carrying out its assignment would:

A. (1) review, inter alia, quantitative and qualitative trends and based on this review, would formulate concrete proposals on ways and means of serving best the borrowing member countries;

(2) consider trends and relative magnitude of technical assistance provided by sources other than Unesco (multilateral, regional, bilateral);

(3) evaluate the effectiveness and efficiency of the implementation of technical assistance project components and, based on such evaluation, examine approaches to the provision of technical assistance within the context of an increasing desire of the member countries to become self-sufficient in this respect;

(4) review processes for monitoring, supervising and evaluating the implementation of technical assistance components;

(5) examine major difficulties and problems resulting from recruitment procedures, quality of experts, provision of training and institutional back-up, reporting, etc; and

(6) take into account point (2) and (3) of the General Considerations.

B. With regard to procedural matters, the Study Task Force would use interviews with government officials in member countries primarily for verification of hypotheses on future orientation rather than as fact finding process, keeping a low profile.

C. The report should be concise and relatively short with actionable recommendations and supporting appendices and annexes as deemed necessary.

V. Other Matters

(1) Upon request from Unesco, a World Bank member of the Steering Committee described the factors involved in decisions made over time in the growth rates of the Education staff of the Bank and the posts financed within the Cooperative Programmes.

(2) It was agreed that the Chairman will visit FAO and ILO from 10 to 12 October 1983, accompanied by Mr. de Silva to be briefed on the development and modalities of their cooperation with the World Bank.

13.7.83

WORK PROGRAMME OF THE TASK FORCE
ON THE JOINT REVIEW OF THE COOPERATIVE PROGRAMME

- July
- First meeting of the Steering Committee
 - . Issuance of instructions to the Task Force
- August
- Collection of appropriate documentation
 - Compilation of selected statistics
 - Development of the three-year World Bank education work programme
 - Development of the interview guide
- September
- Field trip (1 trip, 2 countries)
 - Initial interviews (Unesco staff, EFD staff, Bank education staff, other Bank staff, and selected visitors to Paris and Washington)
 - Initial identification of Issues
 - Development of the outline of the Issues Papers
- Oct. 1-15
- Drafting of the Issues Papers
 - Drafting of the outline of the Report
- Oct. 19-21
- Second meeting of the Steering Committee
 - . Presentation of the Issues Papers
 - . Presentation of the outline of the Report
- November
- Field trip (1 trip, 2 countries)
 - Further interviews (focussed on discussing alternative recommendations)
 - Finalization of Report outline
 - Finalization of statistical data
- Dec. 1-
Jan. 31
- Drafting of the Report
- Feb. 1-15
- Third meeting of the Steering Committee
 - . Presentation of the draft Report
- Feb. 15-
March 15
- Revision of the Report
- March 15-31
- Fourth meeting of the Steering Committee (if needed)
 - . Presentation of the final Report

13.7.83

WORK PROGRAMME OF THE TASK FORCE
ON THE JOINT STUDY OF TECHNICAL ASSISTANCE

- July**
- First meeting of the Steering Committee
 - Retrieving basic data on TA in all projects
 - Retrieving basic data on TA supplied by Unesco
- August**
- Preparation of papers on findings and trends derived from basic data
 - Commence preparation of papers on Bank and Unesco policy and practices relating to TA
 - Commence review of literature on TA
 - Background to relevant parts of CP memo of understanding
 - Selection of countries and projects for detailed study
 - Preparation for country visits
 - Commence file research on selected projects
- September**
- Completion of reports on Bank and Unesco policies and practices relating to TA
 - Completion of the report on TA literature
 - Completion of file research on selected projects
 - Interviews with Bank Staff
- October 1-15**
- Field trips (2 missions, each covering 2 countries)
- October 16-18**
- Preparation of the papers for the Second Steering Committee meeting
- October 19-21**
- Reporting to the Second Meeting of the Steering Committee
- October 24-31**
- Field Trip (2 missions of 1 country each)
- November 1-15**
- Discussions at Unesco of findings of missions, discussion with Unesco staff and Government officials
 - Design of report; allocation of report; writing assignments; agreements on major recommendations

- Nov. 15 - Dec. 2 - Preparation of draft report
- Dec. 5 - 10 - Finalization of draft report
- December 18 - Submission of draft report to Steering Committee

THE WORLD BANK/INTERNATIONAL FINANCE CORPORATION
OFFICE MEMORANDUM

EB E808
to file

DATE May 24, 1983

TO Regional Education Division Chiefs and
Messrs. Hultin (EAPED); Lethem (PAS); Riley (IRD); Southall (LEG)
FROM Richard Johanson, EDC

RJ

EXTENSION 75331

SUBJECT Proposed Joint Study of Unesco Technical Assistance

1. Following your comments on the draft terms of reference sent to us by Unesco, revisions have been made to the draft and the enclosed letter and new draft terms of reference are proposed to be sent to Unesco.
2. I would appreciate it if you could once again review the draft terms of reference and send me your comments by c.o.b. Thursday, May 26. Marked up copies will suffice.

Enclosures

Mr Johanson

I've added a comment
on pg 2. Otherwise OK
Good luck. jrl

I told his secretary of
the above. 5/24 jrl

Mr. John B. Kabore
Acting Assistant Director General
Cooperation for Development and
External Relations Sector
UNESCO
Paris, France

Dear Mr. Kabore:

Thank you for your letter of 11 April, 1983 (reference CPX/UCE/F.906/1/83/020), in which you enclosed draft terms of reference proposed by Unesco for the joint study of technical assistance in Bank-financed projects.

We have now completed our review of the proposed terms of reference and our principal concerns are as follows:

- In general we felt that the terms of reference, while they should state clearly the purposes and scope of the study, should not unnecessarily limit the freedom of the Steering Committee or the Task Force to deal with issues which might arise after the data have been analyzed. Many of the items listed in your draft Section C were perhaps too specific at this stage.
- We think that the study should clearly focus on both performance in technical assistance in the projects and the cooperation between our two agencies.
- We felt that, while broad coverage of all projects was desirable, for reasons of resources and time we should limit detailed scrutiny to a selection of projects.
- We believe that in addition to Unesco and Bank staff views we should obtain the views of Borrowers.

We attach a proposed new draft of the terms of reference. This draft adheres to the format of your draft and incorporates suggested re-wording to address some of the matters noted above. We think that there is sufficient common ground between us now to hope that Unesco will be able to agree to these terms of reference so that the study could begin at once, perhaps during the initial meeting of the Steering Committee. If not, we suggest that you send a representative to Washington as soon as possible with sufficient authority to discuss and finalize the draft.

In the course of our review of the draft, questions were raised on the delicate issue of the dual image of Unesco in technical assistance--first as a sister U.N. agency with which we have a Cooperative Program, and second as a supplier of technical assistance services. We envisage in the course of this study permitting full access to our files and staff views (and asking our Borrowers to do the same) on the performance of other agencies or individuals providing technical assistance services. We believe that there is potential for negative reaction on the part of these agencies or individuals if the Task Force comprises staff directly responsible for administering the technical assistance services provided by Unesco. It might appear more objective if these Unesco staff resources were drawn upon by the Task Force through interviews.

We have fully accepted the proposal that the same Steering Committee should oversee both the Cooperative Program review and the Technical Assistance study. We wish to have flexibility to change some membership, as we feel appropriate, so as to provide two different teams, one for the study and another for the review.

However, we will maintain some common Bank representation on both teams.

Looking forward to your early response,

Sincerely,

Aklilu Habte
Director
Education Department

TERMS OF REFERENCEA. Background

1. A Memorandum of Understanding which was agreed upon in 1964 by Unesco and the World Bank, outlined a World Bank/Unesco Cooperative Program (CP). This "Memorandum of Understanding with Respect to Working Arrangements Between Unesco and [IBRD/IDA]" sought to intensify cooperation between the two agencies in view of Bank/IDA entry into the financing of education. The Memorandum set out the agreed working arrangements for such cooperation as follows:

"1. The Cooperative Program

Unesco and the Bank will cooperate together in the following fields:

.....

(d) Arranging for technical assistance required for the implementation of Bank-financed projects."

"2. Allocation of Functions Within the Cooperative Program

.....

(d) In cases agreed with the Bank, Unesco will provide or arrange for and will exercise appropriate supervision over technical assistance required for the direct implementation of a Bank-financed project."

2. The need for a study of technical assistance in Bank-financed education projects has been recognized by Unesco and the Bank and, following a meeting between the two agencies July 15-17, 1981, "it was agreed that:

- A. A joint study be carried out on how to improve the Bank/Unesco cooperation in light of recent experiences gained by both organizations and of the principles that govern international cooperations.
- B. The terms of reference for the joint study will be agreed mutually....."

B. Purpose of the Study

3. The purpose of the study would be to
- (a) examine and clarify the original purpose and intent of the cooperation envisaged between Unesco and the Bank in arranging for and in providing technical assistance required for the implementation of Bank-financed projects;
 - (b) review the record of cooperation between Unesco and the Bank under the 1964 Memorandum in arranging for and providing technical assistance required for the implementation of Bank-financed projects;
 - (c) analyze the overall experience of technical assistance components of Bank-financed education projects; and
 - (d) make recommendations on the improvement of (i) technical assistance implementation in Bank-financed projects in the education sector, and (ii) cooperation between Unesco and the Bank in the implementation of technical assistance in Bank-financed projects.

C. The Scope of the Study

4. The study would
- (a) review all relevant documents of the Bank and Unesco pertaining to (i) the agreement between Unesco and the Bank in regard to the provision and implementation of technical assistance in Bank-financed projects, and (ii) the scope for participation by Unesco in such technical assistance.

- (b) identify technical assistance components within all Bank-financed education projects 1964-83 and, to the extent possible, for these components, the field of specialization or purpose, estimated cost, and, in the case of implemented components, by what means technical assistance services were procured and how much they cost;

- (c) select a sample of these projects for detailed study of technical assistance components; the selected projects would need to be reasonably representative of geographical regions, country size, the period 1964-83, type and size of technical assistance components, Unesco and non-Unesco involvement in the projects, and "failures" and "successes";

- (d) analyze the experience of the technical assistance components of the selected projects in terms of both implementation performance and results of implemented technical assistance, including time, costs and financing, qualitative aspects, backstopping services, use of Borrower expertise and institutions, and institution building;

- (e) solicit views of Borrowers, Bank staff and Unesco staff on their experience with technical assistance components and on how performance in implementing such components might be improved;

- (f) recommend for consideration (i) measures calculated to strengthen the effectiveness of technical assistance components in Bank-financed education projects; (ii) the measures necessary to improve the performance of Unesco in providing technical assistance services in Bank-financed education projects; (iii) ways in which cooperation between

Unesco and the Bank in the implementation of technical assistance in Bank-financed education projects might be improved.

C. Arrangements for Conducting the Study

5. The study will be conducted by a Task Force under the guidance of a Steering Committee, which will also oversee the review of the Cooperative Program. The Committee will, after the finalization and approval of the report, convey it to the Heads of Unesco and the World Bank. The Task Force will comprise four persons, two each from the Bank and Unesco (one of the latter serving as Chairman). It will be assisted as needed by consultants and other Bank/Unesco staff and research assistants. At least one member of the Task Force will be assigned by each organization to work full time on the study.

6. The Steering Committee will provide guidelines to the Task Force within the framework of these Terms of Reference, including timetables for its work, with the objective that the final report would be delivered to the Heads of the Agencies within five months of the initiation of the work. The Steering Committee will meet as it deems necessary, and exceptionally at the request of the Task Force to provide it with further guidance. The Task Force will conduct the actual study and be responsible for the draft report to be delivered to the Steering Committee.

7. The Task Force will interview relevant staff at all levels in Unesco and the Bank and officials of appropriate Borrowers.

D. Financial Arrangements

8. Regarding the expenses associated with the Joint Study, the Bank and Unesco shall pay each the salaries, fees, travel and per diem of their members of the Steering Committee and of the Task Force, as well as of any of their consultants, of research assistants and of any of the incidental costs incurred by them. The fees, travel and per diem of the Chairman of the Steering Committee and any other cost incurred by him will be shared equally by the two organizations. The costs of reproducing the report will be met by Unesco.

FORM NO. 75
(9-78)

THE WORLD BANK

ROUTING SLIP

DATE:

May 19, 1983

NAME

ROOM NO.

Mr. Burki

EB

<input checked="" type="checkbox"/>	APPROPRIATE DISPOSITION	NOTE AND RETURN
<input type="checkbox"/>	APPROVAL	NOTE AND SEND ON
<input type="checkbox"/>	CLEARANCE	PER OUR CONVERSATION
<input type="checkbox"/>	COMMENT	PER YOUR REQUEST
<input type="checkbox"/>	FOR ACTION	PREPARE REPLY
<input checked="" type="checkbox"/>	INFORMATION	RECOMMENDATION
<input type="checkbox"/>	INITIAL	SIGNATURE
<input type="checkbox"/>	NOTE AND FILE	URGENT

REMARKS:

file UNESCO

FROM:

Richard Johanson

ROOM NO.:

D1132

EXTENSION:

75331

Character
Must Fall
Completely in
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PAGE

EXTENSION

MESSAGE NUMBER

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(FOR CASHIER'S USE ONLY)

7.3

1 → 1 OF 1

75331

MESSAGE NUMBER grid

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START
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TO: UNESCO, PARIS, FRANCE

FOR KABORE

RE YOUR TELEX 17311 ON JOINT REVIEW OF BANK UNESCO COOPERATIVE PROGRAM. AAA PLEASED TO ADVISE YOU BANK MEMBERS STEERING COMMITTEE ARE MESSRS. HEINZ VERGIN, DIRECTOR, PROGRAMMING AND BUDGETING DEPARTMENT, AKLILU HABTE, DIRECTOR, EDUCATION DEPARTMENT, AND PING-CHEUNG LOH, ASSISTANT DIRECTOR, EASTERN AFRICA PROJECTS DEPARTMENT. BANK MEMBERS OF TASK FORCE ARE MR. ALEX TER WEELE, CHIEF, WESTERN AFRICA EDUCATION PROJECTS DIVISION, AND MRS. ELEANOR SCHREIBER, SENIOR ECONOMIST, EAST ASIA EDUCATION PROJECTS DIVISION.

BBB REGRET PRIOR ENGAGEMENTS IN JUNE WOULD PREVENT SOME BANK PARTICIPANTS FROM ATTENDING INITIAL STEERING COMMITTEE ON EITHER DATES PROPOSED BY SIPPANONDHA. AS ALTERNATIVE WE SUGGEST JULY 11 TO 13 IN PARIS. PLEASE ADVISE WHETHER THESE DATES CONVENIENT.

CCC WE ARE COMMUNICATING SEPARATELY WITH SIPPANONDHA TERMS OF HIS JOINT APPOINTMENT AS CHAIRMAN OF STEERING COMMITTEE, COPY OF WHICH WILL BE SENT TO UNESCO.

DDD COPY OF THIS TELEX BEING SENT TO SIPPANONDHA VIA WORLD BANK REGIONAL MISSION IN BANGKOK. REGARDS, HUSAIN, VICE PRESIDENT, OPERATIONS POLICY

NOT TO BE TRANSMITTED

CLASS OF SERVICE: TELEX

TELEX NO.: 204461

DATE: 5/18/83

SUBJECT: BNK UNESCO CP REVIEW

DRAFTED BY: RJohanson/hl

CLEARANCES AND COPY DISTRIBUTION:
cc: Steering Committee
Task Force
Mr. Burki, IRD

AUTHORIZED BY (Name and Signature): S. Shahid Husain

DEPARTMENT: OPSVP

SECTION BELOW FOR USE OF CABLE SECTION
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BLUE—Originator to Keep

1. Use OCR-B210 Sphere and set typewriter for DOUBLE SPACING—No other markings acceptable
2. Align First Characters at Line Number 1.

✓
UNESCO file

The World Bank / REPRESENTATIVE TO UNITED NATIONS ORGANIZATIONS - GENEVA
ITC Building, P.O. Box 104, 54 rue de Montbrillant, 1211 Geneva 20 CIC, Switzerland • Telephone - 33.21.20/29

Mr. Richard K. Johanson
Acting Director
Education Department
The World Bank - room D1132
1818 H. Street, N.W.
Washington, D.C. 20433

15 August 1983

Dear Mr. Johanson,

I have been in touch with Mr. Srivastava (Chief, Investment Unit, Bureau of Technical Cooperation) who seems to be the man to see in the ILO concerning the UNESCO visit (10-12 October) which is the subject of your letter of 5 August.

He is very willing to set up a program for the UNESCO visitors. He and I will get together in the week of 5 September when he comes back from mission and I from leave. Once we have the program set, I will telex you. That ought to be around 8 or 9 September,

Yours sincerely,

l
L. Peter Chatenay
World Bank Representative
to
UN Organizations - Geneva

cc: Mr. Mahmud A. Burney, IRD

7.3

May 11, 1983

Richard Johanson, EDC

Vincent J. Riley, IED

74455

Proposed Joint Study of Unesco Technical Assistance

This study troubles me. Unesco, in earlier comments and now in quoting the Memorandum of Understanding, implies that our agreement to cooperate extends to arrangements for TA required for the implementation of all Bank-financed projects. Certainly those who negotiated for the Bank in 1964 never intended to usurp borrower's prerogatives that way. We should not start by accepting that premise.

What is the purpose of this exercise? How will it benefit our borrowers? Will it make loan implementation better or more efficient? How will it benefit the Bank? It is intended to "enhance cooperation", but for what purpose? Conceivably, it would benefit Unesco, if it moved us or our borrowers, in the direction of the Unesco premise mentioned in the first paragraph.

In paragraph B.4.i) Unesco lists some information which the Bank could provide with a lot of work. But why look at all projects for 19 years? Sub-paragraph ii) of this section raises the "Unesco premise" question: "How has the Bank behaved toward Unesco, in each instance?. For us, that is a "no-win" game.

Sub-paragraphs (iii) and (iv) make impossible demands. One might find it worthwhile to look at a small number of recent cases, but how do you do comparisons unless you can find some essentially identical and simultaneous exercises? Could such a sample ever be large enough to be definitive? Only a consistent pattern of clear success or clear failure under one or another mode of implementation would indicate anything significant.

Section C.- Outcome - covers a number of topics discussed at length in a seminar for UN agencies held here last February. Unesco participated. A synopsis of that discussion is attached. While I think the ground was well covered, a replay, specially directed at Unesco, might be worthwhile, as long as the resulting guidance given is consistent. But this is not a matter for a joint task force; it is a matter of seeing that Unesco gets the word from Controllers, Legal, Consultant Services, etc.

The proposed manpower input (10 man-months by the Bank alone) is preposterous. For what end?

A TA study, if one is to be undertaken, should focus on how we might best help borrowers to get the best results for their money. Unesco must understand that even if we concluded that Unesco's work routinely produced superior results, we still could not mandate borrowers to use Unesco. But Unesco, with our help, might want to study how it could be more competitive; what steps it could take to interest more borrowers. Consultant selection questions raised during last February's seminar regarding Bank practices in disbursement, consultant selection, legal contracting, etc., ought to be further explored. But this is basically a job for Unesco, in which we should help.

In sum, I do not think a joint Task Force is the right approach. A joint Task Force might be appropriate to look at Unesco implemented projects. There we could help identify problems and suggest better approaches. I see little to justify a study of all Bank projects not implemented by Unesco, although looking at a limited sample might have some merit for comparison purposes. But the Bank should not be party to any study, or report, that concludes that we or our borrowers erred by not looking to Unesco, in all these cases, in the first place.

Lastly, I am dubious that the study can produce useful suggestions for revising the Memorandum of Understanding. The needed change is an elimination of any implication that the Bank has a commitment to Unesco for "arranging for technical assistance required for the implementation of Bank-financed projects". I have difficulty seeing Unesco accepting any dilution of that idea.

Attachment

VJRiley/eb

UNESCO

1.3

Unesco and the Bank will cooperate together in the following fields

(a)

(b)

(c)

(d) Arranging for TA required for the implementation of Bank-financed projects

1) Note it does not say ^{implementation of} TA financed under Bank ~~financed~~ projects, it says only TA required for implementation of Bank-financed projects

2) At the time, 1964, in ~~the~~ Bank lending for Education, we had a policy that financing included no provision for TA under the loan. IF the govt was going to loan to govt elsewhere for the financing of these projects was a case for Bank the TA (e.g. UNDP) then perhaps there was a case for cooperation between the Bank and UNESCO

Why would the text be ~~worded~~ ^{worded} as such that did not exist and wasn't contemplated by anyone

3) Even if it had been assumed that some day Bank loans would finance TA, there was no way Bank negotiators could have seen the ~~project~~ agreement as in any way contrary to the provision of the ^{Bank} articles or ~~not~~ ^{Executive} ~~what~~ make Govt responsible for execution

4) ~~This appears in opening paragraph or scope along, e.g. with approval. Certainly no one could ~~the~~ imagine the agreement to imply that UNESCO had a mandatory or exclusive role in loan agreement. But unlike other activities, this one is not further elaborated e.g. in the elaboration of functions~~

4/ Where this is debatable under 2(d), there is mention of a specific constraint "in cases agreed with the Bank". Moreover this clause also speaks of "technical assistance required for the direct implementation of a Bank-financed project."

~~From the beginning, we did~~

Educator
Once we started lending for the World Bank loans, we have had many cases where borrowers looked to UNESCO, and not an inconsequential portion of these that encountered problems

Like it or not, UNESCO cannot have a monopoly here, ~~and~~ ^{what} the Bank or its borrower have any obligation to report. There is competition - for public sources, private sources or mixed government-private sources (e.g. Universities)

If UNESCO, can do a better, cheaper more suitable job. UNESCO should ^{and will} go to job. If not, it should not, and the Bank would be ~~not~~ serving its member poorly, if it required ~~development~~ implementation by UNESCO

How far can we / should we go in promoting UNESCO, or encouraging borrowers to use its services? UNESCO says ~~not at all~~ lots we say not at all.

Mr. Riley E-812

OFFICE MEMORANDUM

DATE: May 6, 1983

TO: Regional Education Division Chiefs, and Messrs. Hultin (EAPED), Lethem (PAS), Riley (IRD), Southall (LEG)

FROM: Richard Johanson, EDC

EXTENSION: 7-5331

SUBJECT: Proposed Joint Study of Unesco Technical Assistance

1. As you are aware, Unesco and Bank managements decided in July 1981 to review our cooperation in two fields: (a) the activities of the Cooperative Program as carried out by the Educational Financing Division of Unesco; and (b) Unesco technical assistance. We have now reached an agreement with Unesco on the terms of reference of the CP Review. What remains to be done is to agree on terms of reference for the study on technical assistance. This study will be directed by the same Steering Committee as for the CP Review, but would be carried out separately.

2. When we considered earlier terms of reference for the Review, most staff in the Bank questioned the desirability of undertaking the study on technical assistance. However, given the commitment by the Bank in 1981 to carry out the joint technical assistance study, the real question is not whether but how to proceed on this matter. The next step we need to take is to respond to the enclosed copy of the terms of reference of the technical assistance study submitted by Unesco.

3. I would appreciate it, therefore, if you could review the proposed terms of reference in a form that could easily be incorporated in a letter to Unesco. You may wish to address the specific questions below:

Scope - Should such a study cover all Bank-financed technical assistance or that portion executed by Unesco?

- Is it feasible to assess the impact of technical assistance even in selected cases as suggested by Unesco?

Mechanics - Is a task force the best way to carry out the study or should consultants be employed to do the work?

Expected outcomes - What sort of measures should be examined to make the technical assistance provided through Bank-financed projects more cost-effective?

- Should an outcome of the study be suggestions for appropriate revision of the Memorandum of Understanding between the Bank/Unesco (1964)?

4. Please send me your comments by c.o.b. Thursday, May 12.

cc: EDC Unit Chiefs
Mr. Aklilu (o/r)



united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

APR 22 1983

7, place de Fontenoy, 75700 PARIS

téléphone : *national* (1) 577 16 10
internationale + 33 1 577 16 10
télégrammes : Unesco Paris
télex : 204461 Paris

référence : CPX/UCE/F.906/1/83/020

11 April 1983

Dear Mr. Husain,

On 25 March 1983, with letter ED/EFD/8050/2/0135, Mr. S. Tanguiane, Assistant Director-General for Education, communicated to you as a follow-up to his cable 09883 of 11 March 1983, the terms of reference proposed by Unesco for the joint review, agreed upon during the July 1981 Inter-Secretariat meeting, of certain aspects of the World Bank/Unesco Cooperative Programme.

In para. 9 of those proposed terms of reference, it is stated that, in accordance with the same July 1981 meeting results, a joint study of the technical assistance aspects of the Cooperative Programme should be carried out in accordance with its own terms of reference, and should start as soon as possible and not later than September 1983.

Mr. Tanguiane's aforementioned letter indicated that proposed terms of reference of the joint study would be sent "in the near future". Accordingly, I am pleased to enclose for your perusal the terms of reference, proposed by Unesco, for the Joint World Bank/Unesco Study of Technical Assistance in Bank-financed Projects in the Fields of Unesco's Competence.

Mr. Tanguiane's letter also indicated that we would send to you "at the earliest opportunity" our suggestions for the Chairman of the Steering Committee. Our proposals will reach you, I believe, by the end of April. In this connection, although we have acquiesced in your desire to have, as Chairman of the Steering Committee, someone external to our two organizations, we continue to wonder whether the benefits of such an arrangement are sufficient to offset the delays, the increased scheduling difficulties, not to mention costs, that this will entail. Furthermore, because the work to be done by the Steering Committee and its associated task forces is essentially of an inter-organizational character, examining the record of the implementation of the 1964 Memorandum

.../...

Mr. S. Shahid Husain
Vice-President, Operations Policy
The World Bank
Washington D.C. 20433
U.S.A.

of Understanding, it is not at all clear how an external Chairman will facilitate all this essentially inter-secretariat work.

No less than Unesco, the Bank has displayed its anxiety to get these long-delayed joint activities underway. If you were to designate your three members of the Steering Committee, it could begin functioning immediately, on the co-chairmanship basis Unesco originally proposed, rather than incur the further delays associated with finding an external chairman with the requisite qualifications, interest, availability, etc. Perhaps you will wish to reconsider this possibility.

I await your reactions at your earliest convenience.

Yours sincerely,



John B. Kaboré
Acting Assistant Director-General
Co-operation for Development
and External Relations Sector

Joint Study of Technical Assistance Aspects

Terms of reference

A. Background of the joint study

1. A Memorandum of Understanding, agreed upon in 1964 by Unesco and the World Bank, outlined a Unesco/World Bank Cooperative Programme (CP). The Memorandum established that Unesco and the Bank, among other things, would cooperate in "arranging for technical assistance required for the implementation of Bank-financed projects" in the fields of Unesco's Competence.
2. On the basis of the Memorandum of Understanding, in a World Bank/Unesco Inter-Secretariat Meeting held in Paris from 15 to 17 July 1981, the two Organizations agreed to carry out a joint study "on how to improve the Bank/Unesco co-operation in the light of the recent experience gained by both organizations and of the principles that govern international co-operation".
3. It was also agreed at the same July 1981 Inter-secretariat meeting that a joint review of other aspects of the Cooperative Programme would be carried out. This joint review is governed by separate terms of reference and being undertaken by its own task force, which functions under the supervision of the same Steering

Committee as mentioned later (see paras. 7-8) for this joint study. The joint review and joint study are thus linked and together form an ensemble that covers all aspects of the Cooperative Programme.

B. Purpose and Scope of the Joint Study

4. Taking into account the constitutional responsibilities of the two Organizations and of the Memorandum of Understanding of 1964 between them that they would cooperate for the benefit of their Member States in "arranging for the technical assistance required for the implementation of Bank-financed projects", the study will examine the record of such co-operation, identify areas where co-operation may be improved, and make recommendations accordingly. Among the specific tasks which the joint study should carry out are the following:

- i) identify the financial amounts of, the names of the organizations involved in, and the fields covered by the technical assistance components in all Bank-financed education projects approved in the period 1964-1982; and
- ii) identify, in each instance, the manner in which the co-operation foreseen in the 1964 Memorandum has been followed in arranging for the technical assistance required for the implementation of the project.
- iii) for the organizations identified in (i) above, make a comparative analysis of the costs, of the quality of the expertise provided, of the infrastructure for the technical backstopping required for experts, consultants,

Bank Com
provide - with
work
But for 19 Years?

Bank Com
Com

How

equipment, and fellowships, and of the results achieved in selected cases.

5. In addition, the joint study should consider whether a more thorough follow-up study of the impact of technical assistance in Member States is necessary and, if so, should make recommendations accordingly.

How

C. Outcome of the Joint Study

6. After an analysis and assessment of the record of cooperation in arranging for the implementation of technical assistance of Bank-financed projects, the Joint Study will suggest measures which would enhance the effectiveness of this cooperation. In so doing, the Joint Study should particularly, but not exclusively, address itself to the following issues:

a) negotiations with countries recipients of Bank loans for the execution of the technical assistance components:

- i) International Competitive Bidding, taking into consideration the specificity of the Bank and of Unesco as Specialized Agency of the United Nations and the interest of countries;
- ii) list of consulting firms and individuals and conditions and criteria for including Unesco on such a list;

Read in Context
of Consultants Guidelines

Up to borrower

.../

b) financing and disbursement:

- See Synopsis*
- i) withdrawal procedures, currencies, presentation of accounts;
 - ii) procedures for payment for services and goods;
 - iii) cost over-runs, delays, suspensions and extensions;

c) provision of consultants, training and the procurement of goods and equipment:

- i) provision of consultants and experts, including professional qualifications, choice of key personnel, standardization of expert and consultant costs and salaries; *meaning →*
- ii) provision of training including long and short term fellowships, and the quality and cost of training;
- iii) procurement of goods and equipment, including competitive bidding, consideration of Unesco as "consulting firm" by the Bank;

See Synopsis

d) general legal matters including the possibility of working out between the Bank and Unesco of a Model Agreement to be presented to Governments.

D. Mechanics of the Joint Study

7. The Joint Study will be conducted by a Task Force under the guidance of the same Steering Committee established for the Joint Review referred to in paragraph 3 above.

8. The Steering Committee will provide more detailed guidelines to the Joint Study within the framework of these Terms of Reference, including timetables for its work, with the objective that the final report would be delivered to the Heads of the Agencies within six months of the initiation of the work. The Steering Committee will meet as it deems necessary, and exceptionally at the request of the Task Force to provide it with further guidance. The Task Force will conduct the actual review and be responsible for the draft report to be delivered to the Steering Committee. The Steering Committee is responsible for the final report, which should be no longer than 20 - 25 single-spaced pages and include a minimum of Annexes.

9. The Task Force for the Joint Study will be made up of two Unesco staff members and two Bank staff members. In both cases, at least one of the staff members will come from the education staffs of each Organization and all of them should have had considerable experience in dealing with the implementation of technical assistance components of Bank-financed projects in the fields of competence of Unesco. As needs arise, the Task Force may be assisted by other staff members and/or research assistants. The Task Force will interview relevant staff members at all levels concerned in Unesco and the Bank, as well as consult pertinent documentation. The Task Force will have co-chairmen, one from each Organization; meetings will be presided over by the co-chairman from the Organization hosting the meeting. The co-chairmen will collaborate in arranging for the production of the draft report for consideration by the Steering Committee.

Provisionally it is foreseen that the Task Force will meet three times at Unesco and three times at the Bank, with a total of approximately 30 working days being spent at each Organization. The members of the Task Force will be assigned by their respective Organizations to work full-time on the Study for at least five months.

E. Financial Arrangements

10. Regarding the expenses associated with the Joint Study, the Bank and Unesco shall pay each the salaries, fees, travel and per diem of their members of the Steering Committee and of the Task Force, as well as of any of their consultants, of research assistants and of any of the incidental costs incurred by them. The fees, travel and per diem of the Chairman of the Steering Committee and any other cost incurred by him will be shared equally by the two Organizations. The costs of reproducing the report will be paid by Unesco.

OFFICE MEMORANDUM

1.3

DATE May 11, 1983

TO Mr. Richard K. Johanson, EDC

FROM Francis J. Lethem, PAS

R

EXTENSION 76805

SUBJECT Proposed Joint Study of Unesco Technical Assistance (TA)

1. As I have emphasized in the past, Unesco's insistence on this study stems from a fundamental misunderstanding of the meaning of para. 1(d) of the Cooperative Agreement.
2. We must recognize that the statement is ambiguous. It must be interpreted in the light of Section 5 of Article 3 of the Bank's Articles of Agreement which implies that the Borrower is responsible for carrying out the project, and not the Bank. Hence, the expected Bank cooperation with Unesco in ^(a) "arranging for TA required for implementing Bank-financed projects" can only be possible, in my opinion, in cases where the Borrower asked for the Bank's help, and the Bank took the initiative, in turn, to ask for Unesco's help. This is why, I presume, Article 2(d) of the Cooperative Program refers to "In cases agreed with the Bank" ...
3. I believe that once this historical ambiguity is clarified, Unesco may not wish to insist further on reviewing all PRTA since 1964, the purpose of which, presumably, was to demonstrate the Bank's non-compliance with one of the four objectives of the "Cooperative Program," i.e., Unesco's "right" to implement Bank-financed TA.
4. If my reasoning is correct, I would then suggest a two-phase study:
 - A. Phase I. (1 month?) (a) Clarification of the legal issue regarding Unesco's role in implementing Bank-financed TA; and (b) detailed design of TOR for the study.
 - B. Phase II. To consist of implementing the outline TORs that we are reviewing now and should be refined during Phase I.
5. Regarding Phase II and your specific queries, I would recommend a review of randomly selected cases of Unesco-executed TA (perhaps 10-15) plus another 4-5 cases executed by other suppliers, similarly selected at random. Alternatively, you may wish to adopt EMENA's approach (Jim Socknat) for the PIR where they selected about 20 projects (each Division nominated one "success" and one "failure").
6. Impact assessment is a difficult matter, especially when TA objectives are vague and intended outcomes not clearly spelled out. Impact will be very much a matter of opinion, and provided that a recipient can be found who still remembers what the TA was about (you may consult with John Burrows, OED, on his experience with Bangladesh TA).

Compare with
(b) appraisal -
we didn't
give part of
a. then.

Part (b) of Phase I
should not take a
month - it just takes
an authoritative letter
or a meeting
a few hours to
reach one position.

7. Regarding staffing, I would recommend one Bank staff reinforced by consultants on the Bank's side. You may wish to consider Lauren Cooper who did a similar review for me, some of John Burrows' consultants, and perhaps also contact Jim Socknat regarding the study design.

8. Outcomes. Measures to make TA more effective are getting better known (see PAS paper on PRTA, as well as Regional and Sector submissions on TA for the PIR). In addition, one of the outcomes should be to show whether Unesco is or is not effectively organized to provide TA and able to efficiently provide professional backstopping to its experts. Another outcome should be a clarification of the original intent of the Cooperative Agreement. Finally, the proposed review might produce a standard contract form for use by Unesco as a supplier of TA and guidelines requiring Unesco to produce detailed proposals accompanied by a list of key staff when they wish to act as Executing Agency, as specified in CPN 9.02 (Employment by Borrowers of UN Agency staff under Bank-financed projects).

FJLethem:ev

Attachments: (1) Memo of April 27, 1983, commenting on proposed TORs (Unesco's letter of April 11, 1983).

(2) Memo of Oct. 12, 1982, to Mr. Aklilu on same subject.

cc: Messrs. Dickerson, Raphaeli, PAS
Riley, IRD
Southall/Cancio, LEG

5/4

Vice

will go - call

the attention of
the front office
to his report

which seems to
say that there are
very basic differences
between UNCTAD &
the Bank on the
very purpose of
the review

R-C

OFFICE MEMORANDUM

M. Chatenay E812

DATE May 2, 1983

TO Files

FROM R. K. Johanson, Senior Advisor, EDC

EXTENSION 75331

SUBJECT Unesco - Discussions on Review of the Cooperative Program

1. I visited Unesco from April 27th to 29th to try to reach final agreement on the draft terms of reference for the joint review of the Unesco Cooperative Program. In addition, I gave general reactions to Unesco's suggested terms of reference for the proposed study on technical assistance.

CP Review

2. After apparently reaching full agreement on the draft TOR on the 28th, the Deputy Assistant Director General for Education asked to make some "editorial changes" in the TOR overnight. The version I received the next morning included several material changes^{1/} and revealed a previously hidden difference of views on the objective and scope of the study. We were unable to resolve this difference in the time before my departure. Consequently, there has been no final agreement on the TOR.

3. The main issue separating the two sides concerns the objectives and scope of the review. Unesco wants the review to include an examination of Bank practices in lending for education^{2/}. I explained that this focus would not be acceptable to the Bank inasmuch as Unesco was not financing Bank activities. I explained the review should concentrate on an evaluation of the activities of the Educational Financing Division, which encompasses the activities we finance under the Cooperative Program. The Deputy Assistant Director General said we are equal partners and consequently the review should cover practices of both organizations. I replied that we are equal partners in financing the activities of EFD and both organizations should focus on improving the operations of the EFD.

4. Another area of minor unresolved disagreement concerned references to Unesco's Medium Term Plan. Unesco sees the document, prepared at a lengthy conference attended by Ministers of Education of Member States, as being an "inherently different level of document" (i.e., in having more weight and significance) than the Bank's education sector policy paper in

^{1/} For example, (i) the phrase "it is necessary to find ways to increase the cost-effectiveness of CP/EFD operations in education..." was changed to read "...find ways to increase the cost effectiveness of Bank-financed operations in education...;" and (ii) the review will identify "...alternative roles for CP/EFD..." was changed to "...alternative ways in which jointly financed activities can enable Member States to derive maximum benefits from the Bank's lending in Unesco's field of competence."

^{2/} The Deputy Assistant Director General for Education made the following statements reflecting this view: "The review should investigate whether the things the Bank finances are carried out cooperatively with Unesco to serve Member States." and "The review should examine how the two organizations jointly serve Member States at various stages of the project cycle."

defining sectoral issues and priorities. I think these different viewpoints could be overcome through skillful wording.

5. On the other hand, considerable progress was made in reaching agreements on the following matters:

- Chairmanship of the Steering Committee. Mr. Sippanondha Keduat was selected and a cable was sent to solicit his interest.
- Chairmanship of the Task Force: Unesco agreed that the Bank staff member be the Chairman.
- Size of the Task Force: I agreed to Unesco's request that the membership be increased to a total of four persons, two from each Organization. However, I said one Bank member of the Task Force would work on it part time.

6. Ways to overcome the impasse about objectives and scope of the study need to be discussed in the Bank. If the impasse cannot be broken satisfactorily in the near future, the Bank should consider abandoning the idea of "formal" review and carry out the necessary studies informally.

Review of Technical Assistance

7. Since the Bank had received Unesco's draft TOR for this study only two days before my departure, I explained that I could give no official reaction, but would try to see that one reaches Unesco by June 1, 1983. My own unofficial, general reactions to the TOR were as follows:

- (a) The Bank is not a party directly involved in the provision of technical assistance under Bank-financed projects. It is a matter for the government to choose an agency to provide technical assistance. The Bank retains a "veto" right to ensure that qualified experts are employed.
- (b) The study was proposed by Unesco not the Bank. It would serve directly Unesco's interest and only indirectly the Bank's interest (through better service to Borrowers).
- (c) The Bank is willing to cooperate in carrying out a study of technical assistance but the scope of the study should be carefully limited to the technical assistance executed by Unesco under Bank-financed projects. The Bank is not likely to be willing to undertake a study with Unesco covering technical assistance executed by other agencies. Perhaps the most the Bank could do is provide some overall statistical analysis showing levels and trends in Bank financing of technical assistance.
- (d) The Bank would probably be willing to review whether a change in our implementation procedures could help streamline the

executing of technical assistance generally; and

- (e) It could be embarrassing for the Bank to review the performance of Unesco technical assistance insofar as that might entail Bank criticism of Unesco technical assistance.

8. In ensuing discussion several ideas emerged:

Since Unesco has constitutional responsibility under the UN system for, inter alia, education, and the Bank finances large amounts of technical assistance in education, by implication Unesco has a legitimate interest in how all the technical assistance is being implemented. Other questions of interest to Unesco are: (i) how its performance in providing technical assistance under Bank-financed projects compares with that of other agencies; (ii) how Unesco can improve its provision of technical assistance under Bank-financed projects; and (iii) why the Unesco share in Bank-financed technical assistance has declined over time. Underlying the entire discussion was an apparent desire by Unesco staff to improve its performance in executing technical assistance under Bank-financed projects.

9. Eventually if agreement can be reached on scope of the study, the question needs to be answered of whether the same Steering Committee can supervise both studies.

10. Notes of the discussion, drafted by Unesco, are attached.

Attachment

RKJohanson:eok

cc: Messrs. Aklilu (o/r), EDC; Hultin, AEP;
✓ Chatenay, Riley, IRD
Lethem, Dickerson (Review of TA only), PAS
Gomez, EDC

Joint Study of Technical Assistance (TA) Aspects

In discussing this point, the representative of the World Bank (WB), Mr. R. Johansen, mentioned that the Bank did not have sufficient time to study the proposal transmitted by Unesco recently. He promised that the Bank will send its official reaction to Unesco before 1 June 1983. Then, as an indication of what the reply might include, he outlined his own personal views as follows :

1. Generally, decision on the appointment of an executing agency for TA components of WB financed projects is the responsibility of the borrowing country. The role of the Bank is to react to the decision with the possibility to veto it if necessary.
2. When the Bank agreed at the July 1981 meeting with Unesco to include the study on TA the feeling was to help Unesco carry out the study for its own benefit to improve its services to Member States.
3. An agreement for the execution of TA is a matter which concerns the borrower and the executing agency. The Bank is not a signing party to such an agreement.
4. The proposed study should be limited in scope to TA executed by Unesco. The Bank would help in this exercise by making some resources available.

The following points were raised by the representatives of Unesco : -

- 1) They wondered if the execution of TA does not suffer from some general problems which are of common concern both to Unesco and WB.
- 2) Unesco and WB belong to the same United Nations System, the latter being an associate agency. In the System, Unesco is the specialized agency for a number of sectors including Education. While Unesco's participation in the execution of TA components of education projects financed by WB is limited to \$ 3 or 4 million, WB lending to education includes a much larger proportion of TA. It was, therefore, felt that a comparative study of TA execution would be very useful. It was also felt that close cooperation between Unesco and WB in carrying out the study would be of great benefit to the two Organizations as well as to Member States.
- 3) The initiative taken by the Bank in the preparation of a model agreement between borrowers and United Nations agencies for the execution of TA was mentioned. It was also queried if the Bank considered Unesco like any other agency or firm, in the execution of TA in its field of competence.



ORGANISATION DES NATIONS UNIES POUR L'ÉDUCATION, LA SCIENCE ET LA CULTURE
UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION

TÉLÉGRAMME/UNESCOGRAMME
CABLE/UNESCOGRAM

Téléphone: national (1) 577 16 10
international + 33 1 577 16 10
Télégrammes: Unesco Paris
Télex: 204461 Paris

7, Place de Fontenoy
75700 PARIS, France

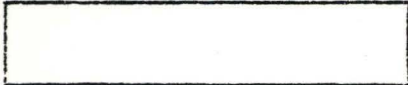
A : (Nom et adresse télégraphique) / To : (Name and cable address)

Date d'envoi (à insérer par REG)
Date of despatch (for insertion by REG)

UNESCO BANGKOK

Référence * (à insérer par REG)
Reference * (for insertion by REG)

Texte et signature / Text and signature



FOR PERSONAL ATTENTION RAJAROYSINGH PLEASE DELIVER URGENTLY

FOLLOWING MESSAGE TO SIPPANONDHA KETUDAT VICE-CHANCELOR

UNIVERSITY OF BANGKOK QUOTE YOUR EXCELLENCY ON BEHALF WORLD BANK AND UNESCO HAVE HONOUR REQUEST YOU ACCEPT ASSIGNMENT AS CHAIRMAN OF A STEERING COMMITTEE COMPRISING YOURSELF AND THREE MEMBERS EACH FROM WORLD BANK AND UNESCO SECRETARIAT STOP WITHIN TERMS OF REFERENCE TO BE AGREED BY TWO ORGANIZATIONS TASK OF COMMITTEE SHALL BE PRIMO TO GUIDE TWO WORLD BANK/UNESCO TASK FORCES ENTRUSTED AAA WITH A JOINT REVIEW OF ASPECTS OF COOPERATIVE PROGRAMME IMPLEMENTED ON UNESCO SIDE THROUGH THE EDUCATIONAL FINANCING DIVISION AND BBB WITH A JOINT STUDY ON IMPLEMENTATION BY UNESCO OF

A : nom et adresse complète / To : name and full address

DECLASSIFIED

AUG 27 2021

WBG ARCHIVES

Mr. RAJA ROY SINGH
Unesco Representative
G.P.O. Box 1425
BANGKOK 11
Thaïlande

* Prière de citer cette référence dans votre réponse.

* Please cite this reference in your reply.

Le numéro de référence sera fixé par la Division du Courrier. La partie figurant sous le pointillé ne sera pas transmise.

OBJET (s'il ne ressort pas clairement du texte)

MODE D'EXPÉDITION PROPOSÉ (peut être modifié par la Division du Courrier). Voir Appendice 9 B du Manuel.

LES TÉLÉGRAMMES SONT TRÈS COUTEUX : LEUR USAGE N'EST JUSTIFIÉ QU'EN CAS D'EXTRÊME URGENCE

Unescogramme (express par avion)

Télégramme (fournir justification ci-dessous)

Budget - cocher la case appropriée ORD UNDP

Rédigé par : I. Antoniades CPX/UCE/F
(Nom dactylographie) Sigle Secteur/Bureau

Sigle Secteur/Bureau	VISAS	Signature	Date	COPIES à distribuer pour information
ADG/CPX p.i.	(on draft)			ADG/CPX p.i.
ADG/ED	"			ADG/ED
				Mr. Johansen,

117.3

May 9, 1983

Shahid Javed Burki

Vincent J. Riley

74455

Unesco Cooperative Program

This note highlights a long-running problem with Unesco - their belief that Unesco's "mandate" in education gives them some special status regarding all Bank loans (and advice) in that sector.

As this note indicates, a proposed review of the Unesco Cooperative Program was threatened with derailment over the issue. This was resolved only when Messers. Nusain and Aklilu visited Paris and won Unesco over by affirming that because of the potential implications on the future of the cooperative program, the Bank preferred to undertake such a review in cooperation with Unesco, but that the Bank was committed to going ahead with the study, in any event.

There still remains the desire of Unesco to have a joint review of all technical assistance in Bank education loans. The Bank wants to confine such a review to loans with components implemented by Unesco, and may try to keep itself remote from this study in any event.

Mr. Johanson will keep us advised.

VJRiley/eb

OFFICE MEMORANDUM

Mr. Riley E812

#7.3

DATE May 2, 1983

TO Files

FROM R. K. Johanson, Senior Advisor, EDC

EXTENSION 75331

SUBJECT Unesco - Discussions on Review of the Cooperative Program

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*perhaps with UNESCO own
asked to make inputs
decided needed by Bank*

In theory, an outside review, by objective evaluators, of TA in all Bank Education loans may have merit. But a study by UNESCO people would lack such objectivity.

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RKJohanson:eok

cc: Messrs. Aklilu (o/r), EDC; Hultin, AEP;
 Chatenay, Riley, IRD
 Lethem, Dickerson (Review of TA only), PAS
 Gomez, EDC

Sooner or later Bank must say it doesn't accept this premise. Unesco's mandate comes from Govts. Did they intend Unesco to have "legitimate interest" in all NATL education activities?

We should find way to help in answer these questions. But let us do it ourselves. See (c) above

Joint Study of Technical Assistance (TA) Aspects

In discussing this point, the representative of the World Bank (WB), Mr. R. Johansen, mentioned that the Bank did not have sufficient time to study the proposal transmitted by Unesco recently. He promised that the Bank will send its official reaction to Unesco before 1 June 1983. Then, as an indication of what the reply might include, he outlined his own personal views as follows :

1. Generally, decision on the appointment of an executing agency for TA components of WB financed projects is the responsibility of the borrowing country. The role of the Bank is to react to the decision with the possibility to veto it if necessary.
2. When the Bank agreed at the July 1981 meeting with Unesco to include the study on TA the feeling was to help Unesco carry out the study for its own benefit to improve its services to Member States.
3. An agreement for the execution of TA is a matter which concerns the borrower and the executing agency. The Bank is not a signing party to such an agreement.
4. The proposed study should be limited in scope to TA executed by Unesco. The Bank would help in this exercise by making some resources available.

The following points were raised by the representatives of Unesco : -

1) They wondered if the execution of TA does not suffer from some general problems which are of common concern both to Unesco and WB.

2) Unesco and WB belong to the same United Nations System, the latter being an associate agency. In the System, Unesco is the specialized agency for a number of sectors including Education. While Unesco's participation in the execution of TA components of education projects financed by WB is limited to \$ 3 or 4 million, WB lending to education includes a much larger proportion of TA. It was, therefore, felt that a comparative study of TA execution would be very useful. It was also felt that close cooperation between Unesco and WB in carrying out the study would be of great benefit to the two Organizations as well as to Member States.

3) The initiative taken by the Bank in the preparation of a model agreement between borrowers and United Nations agencies for the execution of TA was mentioned. It was also queried if the Bank considered Unesco like any other agency or firm, in the execution of TA in its field of competence.

Bank is Specialized Agency

That may be so

*IRDs doing
(a) It is a legal/adm framework model. Substance must be hand made for each project*

Well, yes. Bank approval guidelines define "Consultant" to include UN agencies. Too bad, Unesco can't accept them.



ORGANISATION DES NATIONS UNIES POUR L'ÉDUCATION, LA SCIENCE ET LA CULTURE
UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION

TÉLÉGRAMME/UNESCOGRAMME
CABLE/UNESCOGRAM

Téléphone : national (1) 577 16 10
international + 33 1 577 16 10
Télégrammes : Unesco Paris
Télex : 204461 Paris

7, Place de Fontenoy
75700 PARIS, France

A : (Nom et adresse télégraphique) / To : (Name and cable address)

Date d'envoi (à insérer par REG)
Date of despatch (for insertion by REG)

UNESCO BANGKOK

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FOR PERSONAL ATTENTION RAJAROYSINGH PLEASE DELIVER URGENTLY

FOLLOWING MESSAGE TO SIPPANONDHA KETUDAT VICE-CHANCELOR

UNIVERSITY OF BANGKOK QUOTE YOUR EXCELLENCY ON BEHALF WORLD BANK AND UNESCO HAVE
HONOUR REQUEST YOU ACCEPT ASSIGNMENT AS CHAIRMAN OF A STEERING COMMITTEE COMPRISING
YOURSELF AND THREE MEMBERS EACH FROM WORLD BANK AND UNESCO SECRETARIAT STOP WITHIN
TERMS OF REFERENCE TO BE AGREED BY TWO ORGANIZATIONS TASK OF COMMITTEE SHALL BE
PRIMO TO GUIDE TWO WORLD BANK/UNESCO TASK FORCES ENTRUSTED AAA WITH A JOINT REVIEW
OF ASPECTS OF COOPERATIVE PROGRAMME IMPLEMENTED ON UNESCO SIDE THROUGH THE EDUCATIONAL
FINANCING DIVISION AND BBB WITH A JOINT STUDY ON IMPLEMENTATION BY UNESCO OF

A : nom et adresse complète / To : name and full address

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AUG 27 2021

WBG ARCHIVES

* Prière de citer cette référence dans votre réponse.

* Please cite this reference in your reply.

Mr. RAJA ROY SINGH
Unesco Representative
G.P.O. Box 1425
BANGKOK 11
Thaïlande

Le numéro de référence sera fixé par la Division du Courrier. La partie figurant sous le pointillé ne sera pas transmise.

OBJET (s'il ne ressort pas clairement du texte)

MODE D'EXPÉDITION PROPOSÉ (peut être modifié par la Division du Courrier). Voir Appendice 9 B du Manuel.

LES TÉLÉGRAMMES SONT TRÈS COUTEUX : LEUR USAGE N'EST JUSTIFIÉ QU'EN CAS D'EXTRÊME URGENCE

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Télégramme (fournir justification ci-dessous)

Budget - cocher la case appropriée ORD UNDP

Rédigé par : I. Antoniades CPX/UCE/F
(Nom dactylographie)

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ADG/ED
Mr. Johansen,



Place de Fontenoy
5700 PARIS, France

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page 2

THE TECHNICAL ASSISTANCE COMPONENT OF PROJECTS FINANCED BY THE WORLD BANK AND SECUNDO TO FINALIZE THE REPORTS TO BE SUBMITTED BY TASK FORCES FOR SUBMISSION TO HEADS OF TWO ORGANIZATIONS STOP PRESIDENT WORLD BANK AND DIRECTOR GENERAL UNESCO WISH STEERING COMMITTEE COULD MEET AS SOON AS POSSIBLE STOP COMMITTEE MAY MEET FIVE TO SIX TIMES FOR UP TO ONE WEEK EACH IN ENSUING NINE MONTHS STOP UNESCO AND WORLD BANK SHALL SHARE ALL COSTS YOUR PARTICIPATION AND YOUR HONORARIA STOP WE VERY MUCH HOPE YOU SHALL BE ABLE ACCEPT THIS ASSIGNMENT INSPITE YOUR HEAVY WORKLOAD STOP IN CASE YOU ARE ABLE ACCEPT KINDLY CABLE TO UNESCO AND WORLD BANK EARLIEST

A : nom et adresse complète / To : name and full address .../...

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* Please cite this reference in your reply.

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OBJET (s'il ne ressort pas clairement du texte)

MODE D'EXPÉDITION PROPOSÉ (peut être modifié par la Division du Courrier). Voir Appendice 9 B du Manuel.

LES TÉLÉGRAMMES SONT TRÈS COUTEUX : LEUR USAGE N'EST JUSTIFIÉ QU'EN CAS D'EXTRÊME URGENCE

Unescogramme (express par avion)

Télégramme (fournir justification ci-dessous)

Budget - cocher la case appropriée ORD UNDP

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PAGE

EXTENSION

MESSAGE NUMBER

TEST NUMBER
(FOR CASHIER'S USE ONLY)

1 1 OF 1

73595

MESSAGE NUMBER grid

TEST NUMBER grid

START HERE 12 10

TO: DIRECTOR GENERAL

UNESCO, PARIS, FRANCE

PLEASE FIND HEREWITH MY REPLY TO UN SECRETARY GENERAL ON YOUR PROPOSALS FOR ACC INFORMAL DISCUSSION ON MARCH 30 QUOTE WE AGREE WITH MR. MBOWS PROPOSED AGENDA AND HAVE NO ADDITIONS TO SUGGEST. WE THINK IT BEST TO KEEP AGENDA SHORT. WE ALSO AGREE WITH MR. MBOW THAT ANY DOCUMENT PREPARED FOR THE INFORMAL MEETING SHOULD CONTAIN SOLELY A LISTING OF THE ISSUES AND NOT TOUCH SUBSTANTIVE ASPECTS UNQUOTE. REGARDS, BENJENK, VICE PRESIDENT, EXTERNAL RELATIONS.

END OF TEXT

NOT TO BE TRANSMITTED

CLASS OF SERVICE: Telex TELEX NO.: 270 602 DATE: 3/2/83

SUBJECT: DRAFTED BY: LPChbbenay/sh

CLEARANCES AND COPY DISTRIBUTION: AUTHORIZED BY (Name and Signature): N.P. Benjenk, VPE

cc: Mr. Steckhan

DEPARTMENT: External Relations

SECTION BELOW FOR USE OF CABLE SECTION CHECKED FOR DISPATCH

ROUTING SLIP		DATE:	
NAME		ROOM NO.	
Mr Chaterley			
Unesco			
John			
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS:			
<p>Es14 has been advised that Regie Gomez x 75806, of Akhlu's office is handling. Challenor is supposed to get back to him on the program. I think you should see Young briefly</p>			
DM:		ROOM NO.:	EXTENSION:
	VJ Riley		

Dr. Raley

EXENSION

Will you be finding out how the young ~~(the)~~

(Unesco) visit work?

P-T

REMARKS

DATE AND TIME	PHONE
INITIAL	SIGNATURE
INFORMATION	RECOMMENDATION
FOR ACTION	APPROVAL
COMMENT	FOR COPY RECORD
CLEARANCE	FOR OUR COORDINATION
APPROVAL	DATE AND SIGNATURE
APPROPRIATE DISPOSITION	DATE AND SIGNATURE

[Large handwritten signature/initials, possibly "A. Raley"]

NAME

ROOM NO.

ROUTING SLIP

DATE

JAN 5 1983



Washington Office

united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

January 4, 1983

H. Riley
↑

Dear Dr. Aklilu:

As you know we have been discussing with Mrs. Boskey and Mr. Riley the possibilities for a Unesco mission to the World Bank early this year composed of Mr. T.C. Young, Assistant Director General for General Administration and Director of the Budget Bureau, and Mr. Alfonso de Silva, Deputy Assistant Director General for Development Cooperation and External Relations.

This mission would cover those questions raised by our letter to Mr. Chatenay of April 8, 1982 and Mr. Riley's letter and accompanying materials to us of May 12, 1982.

At this stage of our conversations, because of scheduling difficulties on both sides, we now envision two separate missions. Mr. Young would like to visit the Bank for what might be one half day of meetings any time between January 12 and 19th. Mr. de Silva would hope to arrange meetings at the Bank in mid-February to coincide with a similar mission to the Inter-American Development Bank.

Mr. Young is interested in discussing unit costs of technical assistance with those persons directly responsible for such matters. It is my understanding that this would involve Education Division Chiefs or other operating personnel in the Regional Offices.

I would be very grateful for any assistance you might provide in arranging the necessary appointments for Mr. Young's and subsequently Mr. de Silva's visit.

In view of the proposed timing of Mr. Young's visit, I would like to contact your office Wednesday to find out which day is most convenient for the mission.

Sincerely yours,
[Signature]
Herschelle S. Challenor
Senior Liaison Officer

Dr. Aklilu Habte *72553*
Director - Education Department
Central Projects Staff
World Bank, Washington, D.C.

cc: Mrs. Shirley Boskey ✓

ROUTING SLIP		DATE: December 29, 1982	
NAME		ROOM NO.	
Mr. Riley			
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS: <p><u>Vince</u>: Attached is a copy of the letter to Unesco, which I have just received. It is almost exactly the revision I did of the Hultin draft, with some small changes in paragraph 1 on p. 2 and in the concluding para. Since the t/o/r sent along with the letter do <u>not</u> deal with the t/a study, I am not attaching them.</p>			
FROM: Shirley Boskey		ROOM NO.: E-823	EXTENSION: 72173

pb Unesco 7.3

DEC 29 1982

~~1.858~~

→ 2. Bank/Unesco Corp. Proj

The World Bank / 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 477-1234 • Cables: INTBAFRAD

COPY

December 27, 1982

Mr. S. Tanguiane
Assistant Director General
for Education
Unesco
7, place de Fontenoy
75700 Paris, France

Dear Mr. Tanguiane:

Mr. Aklilu has briefed me about the meeting with you and Mr. Argyropoulos during his recent visit to Paris. I understand that he told you in some detail about the discussions among Bank staff concerning the review of the Cooperative Program and the proposed technical assistance study, agreed between our organizations in July 1981. In those discussions, account was also taken of the terms of reference for the review drafted by the Bank last February and of the terms of reference for the review and the study drafted by Unesco, which we received in July.

We found the Unesco revision most useful. There are, however, some features of our original draft which we would like to retain. Accordingly, you will find attached a text which, we believe, satisfactorily and effectively marries the Unesco text with elements of the earlier Bank draft. We hope you will find the new version acceptable, so that the review of the Cooperative Program, which both our institutions think desirable, can be launched without further delay.

You will note two principal differences between the Unesco draft terms of reference and the revision. The first is that the revision deals only with the review of the Cooperative Program. As Mr. Aklilu told you, we question the usefulness of embarking now on the technical assistance study. As you know, the ACC's Consultative Committee on Substantive Questions (Operational Activities) is considering how the organizations of the U.N. system can play a greater role in implementing technical assistance funded by the international financing institutions. While presumably the CCSQ(Ops) study will not treat the Bank/Unesco relationship in the same depth as a Bank/Unesco study would, we think it would be desirable to await the conclusion of the Ops initiative, to which both the Bank and Unesco, as participants in CCSQ(Ops), will be contributing. The seminar for U.N. agencies on contracts with World Bank borrowers which the Bank will be conducting in February, to which Unesco has been invited, may also produce relevant material. We believe, therefore, that the review of the Cooperative Program should be begun promptly, separate from the technical assistance study, and that terms of reference for the latter should be designed in light of the results of the seminar and the CCSQ(Ops) work.

December 27, 1982

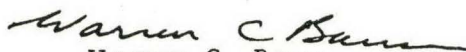
The second point of difference concerns the leadership of the Steering Committee and of the two Task Forces. We appreciate your suggestion that these should be shared. However, we fear that such an arrangement might impair the efficiency of the review, and deprive the Steering Committee of the valuable contribution to its work that a knowledgeable outside "mediator" might make. We, therefore, propose Unesco leadership of the Technical Assistance Task Force when the study is launched and Bank leadership of the Cooperative Program Review Task Force. There may be some merit in having an experienced, high-level person--preferably but not necessarily from a developing member country--as Chairman of the Steering Committee. This seems to us to be the most practical and efficient arrangement. We hope that Unesco will agree. We assume that members of the Steering Committee under any circumstances would seek to arrive at a consensus on important issues prior to forwarding their recommendations to the Heads of the two agencies.

In other respects, we believe that the revised draft terms of reference generally reflect Unesco's approach, although we may have been more specific about the expected achievements of the review. The draft also indicates that the Bank is prepared to meet a larger proportion of costs than was originally envisaged, despite current budget constraints.

We look forward to your agreement to the draft terms of reference for the review as now presented. We very much hope that it will be possible to commence the work on the review soon, and in any event no later than in February 1983. Such early action would render it practicable for those concerned to conduct a constructive discussion of the FY84 CP budget based on deliberations of the task force and the steering committee. Prompt steps will, of course, have to be taken to identify a Steering Committee Chairman and determine his availability.

With best wishes,

Sincerely,


Warren C. Baum

Vice President, Operations Policy

Attachment

MH/rmcm

Cleared with and cc: Mrs. Boskey, IRD

cc: Mr. Kobayashi, Unesco

cc: Messrs. Johanson, Prosser, Rees, Scearce, ter Weele,
Verspoor, El Maaroufi; Division & Unit Chiefs

ROUTING SLIP		DATE:
		December 21, 1982
NAME		ROOM NO.
Mr. Dickerson		D-1007
APPROPRIATE DISPOSITION	NOTE AND RETURN	
APPROVAL	NOTE AND SEND ON	
CLEARANCE	PER OUR CONVERSATION	
COMMENT	PER YOUR REQUEST	
FOR ACTION	PREPARE REPLY	
INFORMATION	RECOMMENDATION	
INITIAL	SIGNATURE	
NOTE AND FILE	URGENT	
REMARKS:		
<p>The attached was given to me by Unesco. It reprints some arguments by Asian Dev. Bank as to why ADB borrowers ought to make more use of Unesco.</p>		
FROM:	ROOM NO.:	EXTENSION:
V. J. Riley	E-812	74455

ROUTING SLIP		DATE:
		December 21, 1982
NAME		ROOM NO.
Mr. Aklilu		D-1130
APPROPRIATE DISPOSITION	NOTE AND RETURN	
APPROVAL	NOTE AND SEND ON	
CLEARANCE	PER OUR CONVERSATION	
COMMENT	PER YOUR REQUEST	
FOR ACTION	PREPARE REPLY	
INFORMATION	RECOMMENDATION	
INITIAL	SIGNATURE	
NOTE AND FILE	URGENT	
REMARKS:		
<p>The attached was given to me by Unesco. It reprints some arguments by Asian Dev. Bank as to why ADB borrowers ought to make more use of Unesco.</p>		
FROM:	ROOM NO.:	EXTENSION:
V. J. Riley	E-812	74455

UNESCO

CPX/UCE/F.901/1/82/155

22 November 1982

To : Chief, CPX/CSF/INP
Chief, CPX/CSF/BKS
Chief, CPX/CSF/FIT

From : DADG/CPX/OPS

cc IACM
brief

Subject : Asian Development Bank
Study on Consultants

- 1. I attach herewith extracts from the above-mentioned study where it is shown that the cost of consultant services offered by Unesco under the ADB's TA component are much lower than those of bilateral donors or private firms.
- 2. Kindly study the attached and send to me your comments by 1 December 1982.
- 3. CPX/CSF/INP is requested to make use of the report for the meetings with IACM and communicate them to Mr. Burley.


Alfonso de Silva

→ This is what I have in my briefing. The document is not identified but when back in Paris I shall try to identify it for you and if available send you a copy.

ANTONIADES

2) IA

Selection of Consultants for Education Projects

A. Bank Guidelines

1. Paragraph 1.01 (a) of the Guidelines on the Use of Consultants states, among other things, that one of the objectives in the use of consultants is to "ensure maximum efficiency and economy in the preparation, construction and operation of projects---". Later, in paragraph 1.01 (b) it is stated that, "the technical qualifications of consultants to perform the required services are, therefore, the most important criteria in the selection of consultants" and that "subject to this requirement, the Bank will ensure that consultants used by the Bank and its borrowers represent the Bank's member countries in a reasonably balanced way. It is also the Bank's policy to encourage the use of consultants from developing member countries---".
2. The main criteria may then be summarised as follows:
 - (a) best qualifications and experience;
 - (b) efficiency in providing services;
 - (c) economy in providing services;
 - (d) spread among Bank's member countries; and
 - (e) encouragement of DMC consultants.

B. Qualifications and Experience

3. When attempting to identify a consultant with the best possible combination of qualifications and experience, it is obviously advantageous to have as large a number of candidates as possible from which to choose. In the experience of SID it has been demonstrated that many consulting firms have limited contacts with sources of supply of consultants and, at the best, rely on the staff members of a number of educational institutions being registered with them. Additionally, only a very few firms have more than one or two specialised education staff in full-time employment on their staffs.
4. The international agencies such as UNESCO and ILO, have undoubtedly access to a far larger number of prospective consultants in the education and training field. They are constantly in touch with their representative offices in each country, with educational and training institutions on an international scale, and have computerised access to many thousands of experts at any one time. In addition, these organisations have some thousands of specialists in the field who are available between assignments or can be released for short assignments.

5. A recent request to the Bank's Consulting Services Division to supply a list of consulting firms, "specialising in the education sector" produced a list of 465 firms. This list was constituted as is shown in Table 1 below.

Table 1: List of Consulting Firms Specialising in the Education Sector
(As supplied by CSD)

Australia	: 20	Indonesia	: 5
Austria	: 1	Italy	: 7
Bangladesh	: 3	Japan	: 11
Belgium	: 10	Netherlands	: 21
Canada	: 49	New Zealand	: 8
China	: 1	Norway	: 7
Denmark	: 13	Pakistan	: 6
Finland	: 10	Philippines	: 5
France	: 30	Sweden	: 9
Germany	: 22	Switzerland	: 8
India	: 1	United Kingdom	: 111
		United States	: 107.

However, an examination of the list showed that only about three per cent of the firms listed were involved in education consulting in the real sense. The other firms fall into one or more of the following categories:

- (a) firms interested in providing consultants for architectural and engineering design of large education complexes i.e. universities, colleges etc.;
- (b) firms with some experience in training in very specialised fields e.g. Lufthansa, German Airlines;
- (c) firms which would 'go out' and recruit educationists in response to a particular request, but with no solid core of education staff in their organisations; and
- (d) newly formed firms with little or no experience and who are registered with the Bank more in hope than in anticipation.

It is worth noting that representations of some of the larger firms have come to the Bank and have stated that they are not interested in any of our small and medium-sized education projects, but only in the occasional large project which "is worth their while".

C. Services and Support

6. Because the international organisations have ongoing projects in the Bank's DMCs and have local and regional support staff available, the provision of services to back up the main team of consultants is generally much superior to that which can be mobilised by a consulting firm. This is specially true in the case where a relatively 'young' consulting firm has only one main office and depends upon shared representatives in field offices.

7. In the specific case of the Second Senior Technical Schools Project in Indonesia, the UNESCO team was able to call on the expertise and experience of not less than eleven resident experts in the field, all of whom had considerable technical expertise and many of whom had long experience of the education and training situation in Indonesia. This was an invaluable input to the preparation of the project.

8. Because of the existence of UNDP, UNESCO, ILO etc. field offices in Bank DMCs (for a longer time than the Bank itself has existed) there is available to any UN consultant team a wealth of information in the form of reference materials, official reports etc. as well as access to translation services.

D. Economy in Providing Services

9. The primary difference in cost of services as provided by an international agency and those charged by a consulting firm relate to the latter being a profit-making enterprise. There are however other factors which result in the international agencies being able to supply services at a lower cost to the client. Among these factors are:

- (a) head office costs of international agencies are financed separately and not charged at cost to a particular project;
- (b) many field services are borne by the local or regional offices of the international organisation whereas consulting firms who have no field offices have to rely on more expensive commercial services i.e. photocopying, telexes, translation services, etc.;
- (c) many international organisations do not submit proposals for services on a competitive basis and therefore the cost of a proposal which is unsuccessful does not have to be accounted for; and
- (d) local offices of international agencies have very often negotiated good discount terms with hotels, restaurants etc. thus cutting actual costs.

10. Taking two pairs of similar types and sizes of technical assistance project preparation projects as examples, we can compare the principal costs by reference to Table 2 below.

Table 2: Comparison of Costs of Two Pairs of Similar TA Projects

<u>Year</u>	<u>Project</u>	<u>Consultants</u>	<u>Man Months</u>	<u>Rem.</u>	<u>Total Per Diem</u>	<u>Travel</u>	<u>Ave. Rem./ m.m.</u>	<u>Ave. all-in Cost/ m.m.</u>
1980	Voc.Schs: INO	UNESCO	25	80,470	34,195	30,000	3,218	5,787
1980	Ag.Tech : BUR	Firm	19.7	129,747	18,194 ^{a/}	27,180	6,586	8,889
1978	UNHAS : INO	Firm	20	133,042	27,000	19,350	6,652	8,970
1979	USU : INO	UNESCO	20	47,460	30,000	31,620	2,373	5,454.

a/ Accommodation in Burma costs approximately half of that in Indonesia.

11. It can be seen from the above comparison that by using UNESCO an overall saving of between 35 and 40 per cent may be achieved. When using grant funds, as the Bank does for its first \$150,000 of its technical assistance, such savings are very worthwhile. It may be noted that in both cases the quality of the work produced by both groups was considered satisfactory with, in one case at least, the UNESCO team having a better insight into the level of solutions appropriate to the stage of development of the particular country.

12. A further analysis in which the total overall cost per man-month has been computed for the last six TA projects undertaken in the sector, yields the results shown in Table 3 below.

Table 3: Cost of Consultants for Project Preparation
(last six TAs)

<u>Year</u>	<u>Country</u>	<u>Project</u>	<u>Firm</u>	<u>Cost(\$)^{a/}</u>	<u>Man-Months^{a/}</u>	<u>Cost/m.m. (\$)</u>
1979	Burma	Tech.& Ag.Ed.	ENEX (NZ)	190,000	20.8	9,135
1979	Philippines	Voc. Tech.Ed.	Brit.Council (UK)	190,000	16.75	11,343
1980	Pakistan	Ag.Tech. Ed.	Brit.Council (UK)	147,000	12.38	11,874
1980	Sri Lanka	Tech. Ed.	R.M.J.M. (UK)	150,000	14.15	10,601
1981	Thailand	Ag. Ed.	Brit. Council (UK)	205,000	15.75	13,016
1981	Nepal	Science Ed.	Brit. Council (UK)	128,000	10.00	12,800

a/ Based on original contract: final costs and m.m. may vary slightly.
cf. average cost per man-month for last two UNESCO projects (1980): \$5,845.

E. Spread of Consultants

13. It is a fact that the number of educational consulting firms, or at least those which are experienced enough to be competitive, is quite limited and restricted to a small number of countries. This, added to the fact that the Bank's working language is English, tends, in practice, to limit the award of consultant contracts to firms from the same few countries: specifically, USA, Australia, New Zealand and U.K. In the Bank's TAs to date contracts to firms have been awarded as follows: USA-5, UK-5, New Zealand-1 and Denmark-1. These firms have used their own nationals almost exclusively in forming their teams.

14. Table 4 below shows how even with an effort to spread consultancies, a heavily biased result seems inevitable. The objective of representing the Bank's member countries 'in a reasonable and balanced way' is not being achieved, neither is the encouragement of use of consultants from developing member countries.

Table 4: Analysis of Consultant Firm Selection for Last Six TA Education Projects

Country	Number of Firms			Average Ranking per Submission
	Shortlisted	Submitting Proposals	Successful	
Australia	4	4	0	2.75
Belgium	1	1	0	2.00
Canada	6	3	0	3.33
France	4	2	0	4.00
Germany	3	1	0	5.00
Netherlands	1	1	0	6.00
New Zealand	5	5	1	2.00
Sweden	1	1	0	3.00
Switzerland	2	2	0	5.00
United Kingdom	6	6	5	1.17
United States	4	2	0	3.00

15. Through using consultants from UNESCO, the Bank has been able to provide opportunities for nationals from Australia, Canada, Denmark, France, India, Japan, Netherlands, New Zealand, Pakistan, Philippines, Sweden, Switzerland, USA and UK.

16. In education projects, particularly where curriculum development and modifying systems of education are concerned, the need to ensure that any project answers the needs and aspires to the achievement of the national objectives is paramount. Each country must develop its own system to suit its own people and in many instances the adoption of a system or objectives of another country

not the answer. By employing a team of consultants made up from representatives of different nations, the likelihood of introducing a 'ready made' system is lessened. Additionally, the planning of components such as fellowship programmes and consultants for project implementation, all usually show a better educational 'mix' if prepared by a multinational team compared to that based on recommendations of consultants from a single country. These components are often the key elements in an education project.

Consultants from Bank's DMCs

Just as in the Bank where there is a spread of staff members from its member countries, so the international organisations attempt to keep a balance among the nations of their member countries. From a list of countries from which UNESCO consultants have been drawn to set up teams for Bank projects (para. 15) it can be seen that three DMCs are represented. Because of logistic and administrative reasons it is much simpler, and therefore more likely, to be able to employ consultants from the Bank's DMCs as members of UNESCO teams than to recruit them as members of a consulting firm's team.

Conclusion

For education projects generally there appear to be substantial reasons for a direct approach to such international organisations as UNESCO and ILO for the provision of consultants. These reasons include:

- (a) economy in use of scarce funds;
- (b) vast pool of expertise available;
- (c) long experience in education and training projects in developing countries;
- (d) greater spread of consultants among Bank's member countries, including DMCs; and
- (e) ease and less costly selection and recruitment procedures.

It is understood that after the visit to the Bank of Mr. C. Vieyra, Chief of Section of Relations with Banks, that he is considering to propose to his Director General that a post be established in the UNESCO Regional Office in Bangkok for a liaison officer who would work closely with the Bank in consultant selection, recruitment, briefing and support. Should this take place then certain of the advantages listed previously would be enhanced considerably.

/egr

Es/1

Hold Till we hear
from UNESCO/
Challan/De Silva

12/20/82

Talked to Challan

Asked why special session for

UNESCO, when Seminar is set

up especially for this purpose

Ans: De Silva + Young want to

between

Come anyway 1/12 - 1/19 approx.

VP: OK, but why? Some issues
Some people. Why do it twice?
Beside I'll be on leave, missing that
period.

Challan: I gather Bobb not willing
~~to attend~~. I'll call De Silva and
see what he says

THE WORLD BANK

INCOMING MAIL

DATE:

DEC 14 1982

			Mr. Kraske	A1013
Mr. Alisbah	E324		Mrs. Krueger	I 8-100
Mr. Ardito-Barletta	A907		Mr. Lari	B906
Mr. Bart	F718		Mr. Lee	D1009
Mr. Baum	E1023		Mr. Lerdaу	E923
Mr. Benjenk	E823		Mr. Paijmans	A1236
Mrs. Boskey	E823		Mr. Picciotto	A712
Mr. V. C. Chang	I 4-100			
Mr. Chaufournier	E723		Mr. Qureshi	E1241
			Mr. Rajagopalan	E1028
Mr. Clarke	I 3-161		Mr. Rayfield	M504
Mrs. Clarke	A1219		Mr. Rohrbacher	I 9-100
Mr. Clausen	E1227		Mr. Rotberg	E427
Mr. Cosgrove	L4500		Mr. Scott	N735
Mr. de la Renaudiere	D351		Mr. Stern	E1227
Mr. Duloy	I 8-170		Mr. Stoutjesdijk	I 8-117
Mr. E. Darwish	A210		Mr. Thalwitz	A507
Mr. Feather	N234		Mr. Thahane	A1219
Mr. Gabriel	D1330		Mr. Twining	L4500
Mr. Golsong	N735		Mr. van der Meer	A813
Mr. Gue	C1001		Mr. Vogl	E832
Mr. Hattori	I 4-100		Mr. Waide	I 6-100
Mr. Hittmair	E427		Mr. Wapenhans	B1210
Mr. Hopper	A513		Mr. Weiner	E1203
Mrs. Hughes	I 7-100		Mr. Wiehen	C502
Mr. Husain	A613		Mr. Wyss	A1042
Mr. Jaycox	C602			
Mr. Karaosmanoglu	C702			
Mr. Kaji	I 3-173			
Mr. Kirmani	A607			
Mr. Knox	A313			

FROM: Incoming Mail Unit, Room F-126, Extension 72023

12/14

Mr. Felony



Vince -

Pl. speak to me

about this -

Call Challenger in DC

& tell her about it.

Semenov / Antoskaler



united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

December 10, 1982

Dear Mrs. Boskey:

As part of our continuing dialogue with the World Bank, Mr. Alfonso de Silva, Deputy Assistant Director General for Development Cooperation and External Relations, has asked me to communicate that he and Mr. T.C. Young, Director of our Budget Bureau, would like to visit the Bank early next year to discuss various aspects of technical cooperation for Bank financed projects, particularly the costing of expert services. We would be interested in knowing when it would be convenient for the Bank to receive such a mission.

This mission would cover those questions raised by our letter to Mr. Chatenay of April 8, 1982 and Mr. Riley's letter and accompanying materials to us of May 12, 1982. Copies of this correspondence have been attached for your convenience.

I look forward to your response and take this opportunity to express our interest in expanding the cooperation between our two institutions.

Sincerely yours,

Herschelle S. Challenor
Senior Liaison Officer

Mrs. Shirley Boskey
Director, International
Relations Department
The World Bank
1818 H Street, N.W.
Washington, D.C. 20244



Washington Office

united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

April 8, 1982

Dear Mr. Chatenay:

By way of continuing our dialogue with the World Bank, I have been asked by Mr. D. Najman, Assistant Director General for Cooperation for Development and External Relations, to advise you that Unesco would like to send a mission to discuss the ways and means of reaching a common understanding regarding standard costs for expert services financed from technical assistance components of their loans or credits.

Below I have listed the preliminary considerations on this matter set forth in Mr. Najman's letter.

"When Unesco is designated by a borrower Government as executing agency of a part of the whole of a technical assistance component of a project for which they have granted a loan or credit, it is sometimes found that the funds earmarked for this activity in the relevant loan or credit agreement signed between the bank and the Government, are insufficient to cover the Organization's implementation costs. This problem often stems from either, or all, of the following reasons:

- a) the cost estimates applied when the project was being formulated were inadequate (for example, based on standard costs provided by UNDP);
- b) although the banks foresee inflation and do provide funds to cover it, delays in commencement of project implementation resulted in even higher costs due to this phenomenon, where the life of the project has been longer than foreseen;
- c) agency overhead costs (at present 13% of expenditures) are not taken into account at the time of computation.

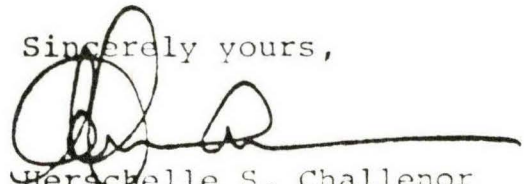
In an attempt to solve this problem, we would put it to the banks that standard UNDP costs are generally not applicable to bank-financed projects. Whereas that agency's Category II costs (see the elements of their Category I and Category II costs here-with in Appendix I) are normally pooled and evenly distributed among projects, as is indeed feasible when dealing with a large

number of experts financed by a single source, we do not consider it practical to apply that procedure to bank-financed projects which are separate entities, each including a relatively small number of experts and each being subject to individual accounting and reporting requirements. This naturally tends to result in greater cost variations compared with UNDP standards.

We therefore suggest that account be taken of the points raised above so that in the event that Unesco is requested by a borrower Government to provide technical assistance for projects financed by them, we may be better able to cover our costs which are based on estimated actuals for each country and on the hypothesis of an expert having three dependents. Our colleagues at the banks may consider either consulting us regarding our standard costs being compiled for individual countries and to be up-dated each quarter, or including in technical assistance budgets additional provisions in the contingency reserve which could adequately cover our expenses in cases where our services are requested."

I would like to contact your office about the receptivity to receiving a Unesco mission between mid-April and mid-May to discuss these matters.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Herschelle S. Challenor', with a long horizontal line extending to the right.

Herschelle S. Challenor
Senior Liaison Officer

Mr. Peter Chatenay
External Relations Advisor
The World Bank
Room E 823
Washington, D.C.

AVERAGE TOTAL COST OF EXPERTS

I. Intermediate and long-term experts

Cost Elements

Category I

Base salary
Post adjustment or mission allowance
Assignment allowance
Pension fund contribution
Staff insurance
Rent supplements
Rest and recuperation leave

Category II

Dependency allowance
Education grant and travel
Home leave travel
Appointment and repatriation travel
including interview travel/travel of
dependents
Installation allowance
Transportation of personal effects
Family visit travel
Consultation of annual leave
Termination indemnities
Repatriation grants
Ex-gratia payments
Refund on pension contribution
Revalidation of prior years' service for
pension purposes
Compensation payments
Death benefit
Income tax reimbursement
Medical subsidy

MAY 14 1982

The World Bank / 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 477-1234 • Cables: INTBAFRAD

May 12, 1982

Ms. Herschelle S. Challenor
Senior Liaison Officer
Unesco
918 16th Street, N.W.
Washington, D.C. 20006

Dear Ms. Challenor:

Mr. Chatenay has asked me to take up the points first mentioned in your letter of April 8, and in which you ask, in your April 28 letter, for a written response.

The basic principle followed by Bank staff when preparing or appraising a Bank loan project is that the costs of each project element should be estimated as realistically as possible. If, at the time of appraisal, it is known that the borrower will have a contract with Unesco to provide technical assistance services, and this is acceptable to the Bank^{1/}, the full estimated cost of Unesco's services should be sought; if the potential provider of services is not known, the estimates probably would be less precise, but should be sufficient to cover the costs associated with any contract likely to be made.

Turning to the specific points you mentioned, we offer the following observations:

- (a) There is nothing in Bank policy about using UNDP standard costs, and we would agree that those figures (being, in part, global averages) may not always be realistic, although the error could be on either the high or low side. Standard cost figures, of course, have the advantage of being readily available from the UNDP Resident Representative at the time of project appraisal. However, where it is likely that a particular agency will be asked

^{1/} See "Guidelines for the Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency" - 1981

to provide the technical assistance services, and more realistic figures are readily available from that agency, those doing the appraisal normally would be expected to seek figures from that agency. Unesco's idea of using its "estimated actuals" for this purpose may be an appropriate response.

- (b) As you note, contingencies to allow for price escalation are a normal part of every project budget. Contingency allowances will vary, depending on the foreseeable cost trends for the project component involved. Of course, where the life of the project is longer than foreseen, there often is much more amiss than just the cost of the technical assistance component. Under these circumstances, it may be desirable to limit contracts to two years duration. The Bank's key concern is that the estimates in the appraisal be realistic. Provisions for contingencies are part of this. Establishing appropriate contingency provisions involves a judgment by the appraiser about what is "foreseeable", and this will always be somewhat subjective. But, at this point, we see no basis for substituting some other subjective contingency figures for those now being applied.
- (c) We agree with you that agency overhead costs should be included in cost estimates. Published Bank guidelines recognize such costs as an accepted element in agency contracts, and without question, they should be included in estimating costs.

A reminder of the points above is being given to those involved in the preparation and appraisal of education projects. In our judgement, however, the points raised in your letter do not reflect any fundamental disagreement on principles. Better understanding of the respective requirements of both our institutions may be required. Perhaps this

...../3.

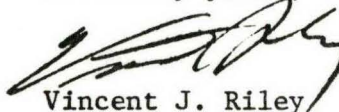
Ms. Herschelle S. Challenor

- 3 -

May 12, 1982

could be enhanced by Unesco sending someone to Washington for consultation. If Unesco believes it desirable to do so, please let us know.

Sincerely yours,



Vincent J. Riley

Adviser, UNDP/UN Operational Activities
International Relations Department

Attachment

7.3

ROUTING SLIP		DATE: December 6, 1982	
NAME		ROOM NO.	
Mr. Hultin			
<i>12/21/82 IS/Asst. Dir. : 3011</i>			
<i>After about 4:30 P.M.</i>			
<i>We will get copy of final.</i>			
APPROPRIATE DISPOSITION	NOTE AND RETURN		
APPROVAL	NOTE AND SEND ON		
CLEARANCE	PER OUR CONVERSATION		
COMMENT	PER YOUR REQUEST		
FOR ACTION	PREPARE REPLY		
INFORMATION	RECOMMENDATION		
INITIAL	SIGNATURE		
NOTE AND FILE	URGENT		
REMARKS: Mats - I've suggested some changes in your draft for your and Aklilu's consideration. I don't believe I've left out any of your points. However, please see my query in the margin. If anything I've written creates problems or questions, just call me and we can discuss.			
FROM: Shirley Boskey	ROOM NO.: E823	EXTENSION: 72173	

*file
UNESCO*

DRAFT
MHultin/SEBoskey:di
December 6, 1982

Mr. S. Tanguiane
Assistant Director General
for Education
Unesco
7, place de Fontenoy
75700 Paris, France

Dear Mr. Tanguiane:

Mr. Aklilu has briefed me about the meeting with you and Mr. Argyropoulos during his recent visit to Paris. I understand that he told you in some detail about the discussions among Bank staff concerning the review of the Cooperative Program and the proposed technical assistance study, agreed between our organizations in July 1981. In those discussions, account was also taken of the terms of reference for the review drafted by the Bank last February and of the terms of reference for the review and the study drafted by Unesco, which we received in July.

We found the Unesco revision most useful. There are, however, some features of our original draft which we would like to retain. Accordingly, you will find attached a text which, we believe, satisfactorily and effectively marries the Unesco text with elements of the earlier Bank draft. We hope you will find the new version acceptable, so that the review of the Cooperative Program, which both our institutions think desirable, can be launched without further delay.

You will note two principal differences between the Unesco draft terms of reference and the revision. The first is that the revision deals only with review of the Cooperative Program. As Mr. Aklilu told you, we question the usefulness of embarking now on the technical

assistance study. As you know, the ACC's Consultative Committee on Substantive Questions (Operational Activities) is considering how the organizations of the U.N. system can play a greater role in implementing technical assistance funded by the international financing institutions. While presumably the CCSQ(Ops) study will not treat the Bank/Unesco relationship in the same depth as a Bank/Unesco study would, we think it would be desirable to await the conclusion of the Ops initiative, to which both the Bank and Unesco, as participants in CCSQ(Ops), will be contributing. The seminar for U.N. agencies on contracts with World Bank borrowers which the Bank will be conducting in February, to which Unesco has been invited, may also produce relevant material. We believe, therefore, that review of the Cooperative Program should be begun promptly, separate from the technical assistance study, and that terms of reference for the latter should be designed in the light of the results of the seminar and the CCSQ(Ops) work.

The second point of difference concerns the chairmanship of the Steering Committee and of the two Task Forces. We appreciate your suggestion that these should be shared. However, we fear that such an arrangement would impair efficiency, and that it would preclude as high level a representation and contribution to the work of the Steering Committee from member countries of our organizations as would be desirable. We therefore propose Unesco leadership of the Technical Assistance Task Force when the study is launched, Bank leadership of the Cooperative Program Review Task Force, with an experienced, high-level

representative of a developing member country as Chairman of the Steering Committee. This seems to us the most practical, efficient and politically advantageous arrangement. We hope that Unesco will agree. If so, steps should promptly be taken to identify a possible Steering Committee Chairman and to determine his availability.

In other respects, we believe that the revised draft terms of reference generally reflect Unesco's approach, although we may have been more specific about the expected achievements of the review. The draft also indicates that the Bank is prepared to meet a larger proportion of costs than was originally envisaged, despite current budget constraints.

We look forward to your agreement to the draft terms of reference for the review as now presented. We hope that it will be possible to commence work on the review very soon and, in due time, on the Technical Assistance study.

Sincerely,

Warren C. Baum
Vice President
Operations Policy

JOINT WORLD BANK/UNESCO STUDY ON THE IMPLEMENTATION OF

TECHNICAL ASSISTANCE COMPONENTS IN
WORLD BANK-ASSISTED EDUCATION PROJECTSTerms of ReferenceBackground

1. Agreement of 1964. A Memorandum of Understanding which was agreed upon in 1964 by Unesco and The World Bank outlined a Unesco/World Bank Cooperative Program (CP) (Annex 1), including the provision of technical assistance. It stated that Unesco and the Bank would cooperate in "arranging for the technical assistance required for the implementation of Bank-financed projects." The Memorandum stated, furthermore, in para. 2 (d) "In cases agreed with the Bank, Unesco will provide or arrange for and will exercise appropriate supervision over technical assistance required for the direct implementation of a Bank-financed project."
2. Developments after 1964. World Bank Group Lending has increased steadily during the decades following the Memorandum of Understanding and Unesco has conducted a considerable amount of technical assistance in Bank-financed education projects. The activities covered primarily project execution but also planning. During the latter part of the 1970s, the Bank's financing of technical assistance increased while at the same time borrowers assumed a more active role in the technical assistance through bilateral agencies or private organizations. However, a large part of the technical assistance for educational planning included in education projects was still organized through Unesco. Simultaneously, the technical assistance components in Bank-financed education projects have increased in number and amount. They amount now to over US\$90 million per year or some 17% of the total lending, up from 3% in the 1960s. A steady increase in Project-Related Training (PRT) which now amounts to 40% of all

^{1/}It should, in this context, be realized that the funds lent by the Bank for education are the country's and that the Bank, consequently, does not assume any implementation responsibility for the projects it is financing, unlike the kind of control UNDP exercises over its grants.

Bank-financed human resources development assistance has also characterized the development. PRT includes considerable technical assistance which has primarily been organized through private organizations and special U.N. agencies other than Unesco.

3. Bank External Panel Recommendation. The Bank appointed an External Advisory Panel in Education in 1977 to review the Bank's education and training activities. The Panel did not review technical assistance but commented on it in its discussions of the CP. It stated that there are important problems related to the technical assistance components and suggested "a special study, perhaps by a working group including representatives of the Bank, Unesco and of two or three developing countries." The Panel stated, furthermore, in this context--that "the Bank will need to canvass widely sources of expert consultation and advice in addition to Unesco" and called attention to the increasing availability of expert competence in developing countries.

A Study

4. July 1981 Arrangement. On several occasions during the regular meetings conducted by Unesco/Bank staff to discuss the CP the conduct of a thorough study of the technical assistance as organized and provided by Unesco in Bank-financed education projects has been discussed. The study has, nevertheless, not materialized. The need has been fully recognized and it was eventually agreed in a meeting last July 1981 that such a study of technical assistance should be undertaken. The Minutes from the meeting stated that "it was agreed that:

- A. A joint study be carried out on how to improve the Bank/Unesco cooperation^{2/} in light of recent

^{2/} In "Implementation by Unesco of the Technical Assistance of Projects financed by The World Bank."

experiences gained by both organizations and of the principles that govern international cooperations.

B. The terms of reference for the joint study will be agreed mutually and should cover problems such as the following:

- (a) Ways and means of improving Unesco's ability to implement the technical assistance component of projects funded by the Bank;
- (b) Arrangements for tripartite cooperation (Government, World Bank and Unesco) in the implementation of projects, including inspection and evaluation missions;
- (c) Modalities to ensure that the Bank and Unesco keep each other duly informed on the implementation of each project;
- (d) Measures required to ensure the continued provision of high quality expertise and to facilitate the timely recruitment of experts and consultants, i.e. timely financial coverage, length of contracts, backstopping, utilization of national expertise, etc.;
- (e) Ways to avoid delays in starting technical assistance projects once they are approved; and
- (f) Measures aimed at streamlining the procedures for early settlement of accounts submitted by Unesco for services rendered to Member States."

5. The purpose, scope and intended outcome of the study, as outlined in the following, reflect the 1964 Memorandum and the July arrangement

about Bank/Unesco cooperation in arranging for the technical assistance required for the implementation of Bank-financed projects. The study will thus focus on ways and means of improving future technical assistance in Bank-financed projects as provided by Unesco based on a study of recent experiences. The tripartite nature of the cooperation on this Unesco provided technical assistance would be fully recognized by the representation of recipient member countries in the study.

Purpose of the Study

6. The purpose of the study would be to identify strengths, weaknesses and constraints in technical assistance as provided through Unesco in Bank-financed education projects. This identification would be based on recent experiences and lead to suggestion of ways to improve performance, impact and cost-effectiveness of future technical assistance provided by Unesco. The study will thus provide concrete suggestions on Borrower-Unesco-Bank cooperation in the development of T.O.R., in position descriptions; work programs; in assessment of performances, goal achievements, selection, placement and utilization of fellows, accountabilities; in identification, recruitment, and backstopping of personnel; in costs and cost-effectiveness; in type of expertise, etc. in technical assistance. The suggestions would fully consider the Borrower's sovereign power and the Bank and Unesco's constitutional obligations.

Scope of the Study

7. The study will cover trends during the last 5 years^{3/} and current status in objective, structure, content, technology (staffing, work methods, management), size, performance, outcome and impact, costs, cost-effectiveness and financing of technical assistance provided through Unesco in Bank-financed education projects. It will deal with the use of

^{3/} The time limit justified by manpower and financial constraints (note for reviewer of draft).

experts, consultants, fellowships and particularly assess the experiences and potential for the use of national expertise and expertise from other LDCs.

8. The study will include a discussion of the strengths, weaknesses and alternative ways to provide technical assistance (and thus transfer of technology in a wide sense) and cover:

- 8.1 types of technical assistance in education and training (execution of building construction, equipment development and procurement, teacher training, curriculum development, evaluation, etc.); experts, consultants (individuals or team), fellowships, etc.;
- 8.2 quality and quantity and type of expertise, work methods (short visits, extended stays, seminars, courses, counterparts), work content, management, performance, impact;
- 8.3 backstopping and its infrastructure and other forms of supervision and guidance and assistance from Unesco;
- 8.4 T.O.R., position description, work program, accountability and performance assessment of experts, consultants, fellows, etc.;
- 8.5 time and duration of assignments and of contracts, recruitment (timeliness, methods, costs), avoidance of delays in project start;
- 8.6 costs, cost-effectiveness and financing of technical assistance--comparison with other potential or existing sources.

9. Intended Outcome of Study. Based on the work as outlined above, measures would be suggested to render the technical assistance provided through Unesco in Bank-financed education and training projects better and more cost-efficient, including the improved information exchange among the three parties about execution, outcome and impact. Various technical assistance options would be discussed and comparative advantages shown. Possible implications for staffing of Unesco and the Bank would be clearly enumerated as well as overall costs and financing. The proposal would include a program for execution of suggested measures.

10. Given the constitutions, laws and principles which govern the activities of Borrowers, Bank and Unesco, the study will consider the limited scope for prescribing rigid or detailed rules for the execution of technical assistance programs financed under Bank-assisted projects. The study will, therefore, seek to propose guidelines within which the most cost-effective ways of providing technical assistance might be determined in each case by the parties--Borrower, Bank and Unesco--to the extent of their individual involvement.

Mechanics of the Study.

11. The study will be conducted by a Task Force under the guidance of the same Steering Committee as appointed for the review of the Bank/Unesco Cooperative Program (CP).^{4/} The Steering Committee will report the outcome of the study to the heads of the Agencies and also otherwise have similar responsibilities towards the Technical Assistance Study Task Force as it has towards the CP Review Task Force. It will provide guidelines for the Task Force work within the framework of this T.O.R., including

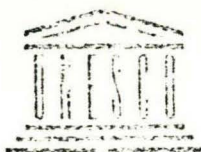
^{4/} See TOR, "Joint Review of the Unesco/World Bank Cooperative Program" of

timetable for the work, with the objective that the Committee report be finished within a year of the initiation of the work and delivered by the Steering Committee to the Heads of the Agencies. The Committee will review the Task Forces' draft report and have it duly revised by the Task Force prior to Committee approval and submission of a final report. It will meet, as it deems necessary, possibly three or four times during the review period and exceptionally at the request of the Task Force. The CP program review and Technical Assistance Study comprise two distinct and separate activities but the Steering Committee will, nevertheless, ascertain necessary coordination of the work and avoid unnecessary duplication in staff interviews, travel, meetings, etc.

12. The Task Force for the Technical Assistance Study will comprise three persons: one from Unesco (chairman), one from the Bank and one from a developing country. They would have considerable experience in technical assistance and would be assisted by short-term consultants and other Bank/Unesco staff and research assistants (particularly for the review of past developments and data gathering). The Task Force will conduct the study and be responsible for the draft reports to be delivered to the Steering Committee for assessment and possible revisions. The Task Force will conduct its study in close contact with relevant staff in Unesco and the Bank and with some representative Borrowers through interviews, questionnaires, etc. It is of particular importance that the Task Force at various stages of its work liaise with those managers among selected Borrowers and in Unesco and the Bank who have been, are, or might become directly responsible for technical assistance. The Task Force members will be assigned to the work full time during the study period as the Steering Committee may deem necessary, probably for about 6-8 months.

Financial Arrangements

13. The financial arrangements for the Steering Committee are described in the previously-mentioned T.O.R. for the CP review. As regards the Technical Assistance Study Task Force, the Bank will pay the full costs of salaries, fees, travel and per diem of the Task Force members from the Bank and the LDC as well as travel costs and per diem of the Unesco member, while Unesco would pay the latter's salary through its regular budget. Incidental costs incurred by the study as well as the cost of the production of the report would be covered by the Bank.



4

united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

7, place de Fontenoy, 75700 PARIS

téléphone : national (1) 577 16 10
international + 33 1 577 16 10
télégrammes : Unesco Paris
téléc : 204461 Paris

référence : ED/EPD/8050/2/9770

26 July 1982

Dear Mr. Aklilu,

I am enclosing herewith the Draft Terms of Reference concerning the (i) Joint Review of the Co-operative Programme, and (ii) Joint Study of Technical Assistance in Education Projects Financed by the World Bank.

I hope that the delay in transmitting it, which has been unavoidably occasioned, has not inconvenienced you too much.

With best regards,

Yours sincerely,

T. Kobayashi
Director
Educational Financing Division

Mr. Aklilu Habte
Director
Education Department (CPS)
The World Bank
1818 H Street, N.W.
Washington D.C. 20433
U.S.A.

Unesco/World Bank

- (i) Joint Review of the Co-operative Programme, and
- (ii) Joint Study of Technical Assistance in Education Projects Financed by the World Bank

Draft Terms of Reference

Background

1. A Memorandum of Understanding was agreed upon in 1964 by Unesco and the World Bank which outlined a Unesco/World Bank Co-operative Programme. The Memorandum established that Unesco and the Bank would co-operate in "(a) assisting countries of common membership in the identification and preparation of educational projects of types which fall within Unesco's field of responsibility and which, in the framework of its economic development objectives and general policies, the Bank is willing to consider for financing; (b) appraising projects of the foregoing types; (c) providing end use supervision of the execution and operation of Bank-financed projects of the foregoing types; (d) arranging for the technical assistance required for the implementation of Bank-financed projects". It was, furthermore, stated that "assistance to member countries in educational planning is recognized as an important foundation for investment programmes in the long term and this activity, being a part of Unesco's own programme, will continue to be the sole responsibility of Unesco".

2. World Bank lending for education increased steadily during the decade following the Memorandum of Understanding, and Unesco conducted a considerable amount of project identification and preparation work, and also a sizeable amount of technical assistance, while the Bank was

responsible for project appraisal and supervision. A joint review of the Co-operative Programme was carried out in 1976 and the discussion draft report resulting from this review was presented in January, 1977, to both organizations. However, the review did not cover implementation of technical assistance financed under Bank education projects.

3. In 1978 the World Bank appointed an External Advisory Panel on Education, which made a number of recommendations for improving the efficiency and relevance of Bank lending for education. Again, though, this Panel did not review the implementation of technical assistance financed under Bank education projects.

4. Given that both the lending policies of the World Bank and the educational programmes of Unesco have evolved in response to the development of education in and resulting needs expressed by Member States in the 17 years since the original Memorandum of Understanding was signed and, moreover, that there have been important developments internationally in the concept of and approach to technical assistance, the two Organizations agreed in July 1981 to a formal review of the Co-operative Programme in education and to a joint study on how to improve Bank/Unesco co-operation in the implementation of the technical assistance component of education projects financed by the Bank. It was also agreed that the two Organizations would explore the possibilities of co-operation in other fields of Unesco's competence. The activities covered by the present document concern primarily those in the field of education.

(i) Joint Review: Purpose and Scope

5. Taking into account the constitutional responsibilities of the two Organizations and of the Memorandum of Understanding of 1964 between

them establishing a Co-operative Programme to assist Member States in the identification, preparation, appraisal and evaluation of education projects financed by the Bank, the Review will examine the record of such co-operation, identify areas where co-operation may be improved, and make recommendations accordingly. The scope of the Review will include all aspects of the full project cycle (i.e. sector work and project identification, preparation, appraisal, and evaluation); particular attention will be paid to the tri-partite nature of the co-operation, involving Governments as well as the Bank and Unesco. The recommendations should indicate measures that may be taken concerning manpower, financial resources and procedures in both Unesco and the Bank. Among the specific tasks which the Review should carry out are the following:

(i) examine the substantive pattern of the Bank's lending in the field of education since 1964, in particular the levels and types of education which have been financed in the various regions of the world; and

(ii) identify the trends in the amounts of staff resources devoted by the two Organizations to identification, preparation, appraisal and evaluation of education projects financed by the Bank since 1964.

(ii) Joint Study: Purpose and Scope

6. Taking into account the constitutional responsibilities of the two Organizations and of the Memorandum of Understanding of 1964 between them that they would co-operate for the benefit of their Member States in arranging for the technical assistance required for the implementation of Bank-financed projects, the Study will examine the record of such co-operation, identify areas where co-operation may be improved, and make recommendations accordingly. Among the specific tasks which the Study should carry out are the following:

(i) identify the financial amounts of, the names of the organizations involved in, and the fields covered by the technical assistance components in all Bank-financed education projects approved in the period 1964-1982; and

(ii) identify, in each instance, the manner in which the co-operation foreseen in the 1964 Memorandum has been followed in arranging for the technical assistance required for the implementation of the project.

(iii) for the organizations identified in (i) above, make a comparative analysis of the costs, of the quality of the expertise provided, of the infrastructure for the technical backstopping required for experts, consultants, equipment, and fellowships, and of the results achieved in selected cases.

In addition, the Study should consider whether a more thorough follow-up study of the impact of technical assistance in Member States is necessary and, if so, should make recommendations accordingly.

Mechanism

Steering Committee

7. In order to carry out the Review and the Study, a Joint World Bank/Unesco Steering Committee will be established. This Committee will be assisted by two Task Forces which will prepare draft reports for the Review and the Study respectively. The Steering Committee will be composed of three senior officials from each Organization. The Committee will have two co-chairmen, one from each Organization; any particular meeting will be presided over by the co-chairman from the Organization which is hosting the meeting.
8. The Steering Committee will provide more detailed guidance to the two Task Forces, including time-tables for the initiation of their respective

tasks, for periodic reviews, and for submission to it of their draft reports. The Steering Committee will organize its work programme and meet as it deems appropriate, but exceptionally may be asked by either of the Task Forces to meet in order to provide it with further guidance. Provisionally it is foreseen that the Steering Committee might meet twice at Unesco and twice at the Bank, these meetings having an average duration of five working days. The Steering Committee should submit the final reports of both the Review and the Study to the heads of the two Organizations within four months after the initiation of the respective activities.

Task Force for the Review

9. The Task Force for the Review will be made up of two Unesco staff members and two Bank staff members. In both cases, the staff members will come from the education staffs of the Organizations and at least one from each organization should have had considerable experience in the workings of the Co-operative Programme and of the Bank's lending programme and procedures in the field of education. As needs arise, the Task Force may be assisted by other staff members and/or research assistants. The Task Force will interview relevant staff at all levels concerned in Unesco and the Bank and in some Member States, as well as consult pertinent documentation. The Task Force will have two co-chairmen, one from each Organization; meetings will be presided over by the co-chairman of the Organization hosting the meeting. The co-chairman will collaborate in arranging for the production of the draft report for consideration by the Steering Committee. Provisionally, it is foreseen that the Task Force will meet twice at Unesco and twice at the Bank, with a total of approximately 20 working days being spent at each Organization. The members

of the Task Force will be assigned by their respective Organizations to work full-time on the review for at least three months.

Task Force for the Study

10. The Task Force for the Study will be made up of two Unesco staff members and two Bank staff members. In both cases, the staff members will come from the education staffs of the Organizations and at least one from each Organization should have had considerable experience in dealing with the implementation of technical assistance components of Bank-financed education projects. As needs arise, the Task Force may be assisted by other staff members and/or research assistants. The Task Force will interview relevant staff at all levels concerned in Unesco and the Bank, as well as consult pertinent documentation. The Task Force will have two co-chairmen, one from each Organization; meetings will be presided over by the co-chairman from the Organization hosting the meeting. The co-chairmen will collaborate in arranging for the production of the draft report for consideration by the Steering Committee. Provisionally it is foreseen that the Task Force will meet twice at Unesco and twice at the Bank, with a total of approximately 20 working days being spent at each Organization. The members of the Task Force will be assigned by their respective Organizations to work full-time on the Study for at least three months.

Financial Arrangements

11. Regarding the various expenses associated with the Review and Study, the Bank will pay the salaries, travel, and per diem of its members of the Steering Committee and the two Task Forces and pay incidental costs which it incurs (supernumerary secretarial help, telephone, postage, etc.). Unesco will pay from its Regular Budget the salaries of its members of the Steering Committee. For the Unesco members of the Task Forces, those

whose salaries are already covered by the Co-operative Programme will continue to be paid in the normal manner; for those coming from other units of the Secretariat, the necessity of compensating the units concerned for the man-months involved will be examined on an individual basis. Unesco will pay from its Regular Budget the travel and per diem of its members of the Steering Committee; the travel and per diem of Unesco members of the Task Forces will be charged to the Co-operative Programme. Incidental costs incurred by Unesco will be charged to the Co-operative Programme. The costs of reproducing the report will be borne by the Bank.

ROUTING SLIP		DATE: 05 18.
NAME		ROOM NO.
Mr. Riley		E-812
file UNESCO		
APPROPRIATE DISPOSITION		NOTE AND RETURN
APPROVAL		NOTE AND SEND ON
CLEARANCE		PER OUR CONVERSATION
COMMENT		PER YOUR REQUEST
FOR ACTION		PREPARE REPLY
INFORMATION		RECOMMENDATION
INITIAL		SIGNATURE
NOTE AND FILE		URGENT
REMARKS: Vince, For your information. Any comments? Mike.		
FROM:	ROOM NO.:	EXTENSION:

OFFICE MEMORANDUM

7.3

TO: Mr. Aklilu Habte, Director, EDC
THROUGH: D. M. Goldberg, Assistant General Counsel, Operations, LEG
FROM: C. M. Southall, Legal Adviser, Technical Assistance, LEG
SUBJECT: Review of the Bank's Cooperation with Unesco

DATE: October 15, 1982

41.

1. It is apparent from your memorandum of October 1, 1982, that problems exist concerning the implementation of the Memorandum of Understanding entered into between Unesco and the Bank in 1964, as amended by an exchange of letters in 1967 and by a Supplement to the Memorandum of Understanding in 1970. This is not surprising if one considers the evolution in Bank policy and procedures since 1964 and no doubt was one of the reasons for the meeting between representatives of the Bank and Unesco in Paris in July 1981. At the time that the Memorandum of Understanding was entered into, the Bank did not have formal guidelines for the use of consultants and the booklet entitled "Uses of Consultants by the World Bank and its Borrowers" was not published until April 1974. Since then, these Guidelines have been revised and amplified and were reissued as "Guidelines for the Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency" in August 1981.

2. Before giving you my recommendations on how the Bank should deal with the problems that have arisen, I would like, briefly, to refer to sections of the Memorandum of Understanding as amended which, in my opinion, are no longer appropriate:

- (a) in paragraph 1 of the Memorandum of Understanding it is stated that "Unesco and the Bank will cooperate . . . (in) . . . arranging for technical assistance required for the implementation of Bank-financed projects" and that "assistance to member governments in educational planning . . . will continue to be the sole responsibility of Unesco";
- (b) paragraph 2(a) of the Memorandum of Understanding provides that "Unesco has primary responsibility" (for Identification and Preparation of Projects) and that "school design and construction fall within Unesco's field of responsibility";
- (c) as for the provision of technical assistance in project implementation, paragraph 2(d) of the Memorandum of Understanding states: "In cases agreed with the Bank, Unesco will provide or arrange for and will exercise appropriate supervision over technical assistance required for the direct implementation of a Bank-financed project";
- (d) paragraph 3 of the Memorandum of Understanding, as amended in 1967, makes it clear that the Unesco Educational Financing Division, 75% of whose costs are met by the Bank, "will operate under the exclusive authority of the Director-General of Unesco" and that "both Unesco and the Bank agree that it is desirable to use Unesco regular staff members, to the greatest practicable extent, for work under the cooperative program";

- (e) paragraph 5 of the Memorandum of Understanding says that "it is expected that most of the projects in the educational sector which are likely to be considered for Bank financing will fall within Unesco's field of responsibility" and it was also agreed that "the Bank will not subject Unesco's advice on educational matters within its competence and covered by the cooperative program to review by any outside agency"; and
- (f) finally, paragraph 4(b) of the Supplement to the Memorandum of Understanding states that the appointment of staff to positions in Unesco's Educational Planning and Administration Division and its Department of Schools and Higher Education "will be made by the Director-General of Unesco" and that "assignment of these staff members to agreed programme activities will thereafter be made by the Director of the unit."

3. It is unnecessary for me to elaborate on the reasons why the above-mentioned provisions of the agreements entered into between Unesco and the Bank have ceased to be appropriate. Since 1964, the Bank has developed its own expertise in respect of education projects and no longer needs to rely on Unesco for such expertise. The relationship between Borrowers and the Bank has also evolved since 1964, and this new relationship and the current Guidelines for the Use of Consultants by Borrowers and by the Bank in its Capacity as Executing Agency must now be taken into account.

4. In the circumstances and in view of the information contained in your memorandum concerning the attitude adopted by Unesco regarding its Memorandum of Understanding with the Bank, I have considerable doubts whether any useful purpose will be served by continuing to exchange and negotiate draft Terms of Reference with Unesco. It is my impression that Unesco would like to retain the advantageous position accorded to it by the Memorandum of Understanding, whereas the Bank's objective, as I see it, is to make use of Unesco's expertise when this is appropriate, but to have much more independence in the identification, preparation and implementation of education projects than is now possible if the provisions of the Memorandum of Understanding are not substantially amended.

5. I would, therefore, like to suggest that consideration be given to informing Unesco that, notwithstanding the considerable help and assistance made available to the Bank and its Borrowers by Unesco through the cooperative program, it is the Bank's opinion that the Memorandum of Understanding needs to be modified and that the delay that would be occasioned by pursuing the preparation of Terms of Reference and carrying out the study and the review discussed in July 1981 should be avoided. Instead, it should be indicated to Unesco that the Bank would like, as soon as possible, to discuss with Unesco the amendment of the Memorandum of Understanding to take account of the following matters, namely:

- (a) that the Bank's present policy and procedure concerning the use of consultants by its Borrowers or by the Bank as Executing Agency requires that Unesco be treated as one of a number of highly competent consultants and that Unesco cannot be given a special status;
- (b) that it is no longer desirable or practicable for the Bank to consult with Unesco before contacting an outside agency;
- (c) that developments since 1964 make it inappropriate for Unesco to have the sole responsibility for providing assistance to member governments in educational planning;
- (d) that with regard to Unesco personnel, the Bank wishes to have the right to be involved in the selection of Unesco staff members for Bank missions and that such staff should in future consider themselves responsible to the mission leader rather than directly to the member government; and
- (e) that if Unesco is unable or unwilling to consider the amendment of the Memorandum of Understanding to take account of these matters, paragraph 6 of the Memorandum of Understanding, which provides that "each organization may, after reasonable notice, terminate the arrangements," may have to be invoked.

cc: Mrs. Boskey, IRD
Mr. Hultin, EDC
Mr. Lethem, PAS



Background

Heritage Foundation

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A United Nations Assessment Project Study

October 21, 1982

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UNESCO
7.3*

FOR UNESCO, A FAILING GRADE IN EDUCATION

INTRODUCTION

The United Nations Education, Scientific and Cultural Organization evokes a benevolent popular image. It is associated with restoring the monuments of Cambodia's Angkor Wat or sponsoring the international geological survey, "Man and the Biosphere"--both valuable contributions to the world's culture resources. UNESCO is also connected, popularly, with fostering worldwide literacy--in 1980, for example, it launched a campaign to eliminate illiteracy in all of Latin America by the year 2000. Regrettably, these programs are not the whole UNESCO story. There is a side of UNESCO that goes beyond cultural aspirations to ideological advocacy. Indeed, since UNESCO's birth in 1946, its education programs and publications have lacked political balance. They have been biased increasingly toward socialist economics and a utopian strain of internationalism that is unsympathetic (often hostile) to the free enterprise system. UNESCO's Education and Social Science sectors seem to be targeting the nation state and free enterprise as dangerous enemies. Is this the legitimate purpose of UNESCO, which supposedly is providing a balanced and useful education to those who need it most--the poor people of the Third World? Here, UNESCO has earned a failing grade. Even so, UNESCO still enjoys the support of the United States, which pays over 25 percent of the organization's triennial "assessed" budget. Together, the Western industrial nations plus Japan pay about 65 percent.

BACKGROUND: UNESCO'S GLOBAL NETWORK

In the years since its founding, UNESCO has become one of the world's largest--if not indeed the largest--think tank. The UNESCO budget in 1947 was \$7 million; today it is more than 140 times that size, or more than \$1 billion for the 1981-1983 trien-

nial budget period. Not only does Washington contribute 25 percent of UNESCO's \$600 million assessed budget, but the U.S. also contributes 25 percent or more to other U.N. agencies, such as the United Nations Development Program (UNDP), the World Food Program, the World Bank and most Regional Banks, which in turn supply most of UNESCO's nonassessed funds (nearly \$400 million in 1981-1983).

According to its Constitution, UNESCO has three main tasks as a specialized U.N. agency: (1) to "maintain, increase and diffuse knowledge," (2) "to give a fresh impulse to popular education and to the spread of knowledge," and (3) "to collaborate in the work of advancing the mutual understanding and knowledge of all peoples." It performs these tasks in all of its major sectors: Education, Natural Sciences, Social Sciences, Culture and Communication, Information Systems, Statistics. In partial fulfillment of this, UNESCO publishes books and documents, holds international conferences and meetings, and provides consulting services and field experts in education and the social sciences to countries requesting them. Most of UNESCO's client states for educational services are underdeveloped nations. UNESCO literature tirelessly repeats that it is not a fund-raising organization or even a "development" agency, but rather, a "catalyst." Some of its officials and professionals privately characterize UNESCO as a giant consulting firm.

In any case, UNESCO's influence scarcely can be underestimated. Its Paris headquarters staff exceeds 2,500. It has several subsidiary organizations such as the International Bureau of Education in Geneva (IEB), the UNESCO Institute of Education in Hamburg dealing with secondary education, the European Center for Higher Education located in Bucharest, and the International Institute of Educational Planning (IIEP) in Paris.

UNESCO publishes four or five books a week every week of the year, making it one of the world's largest publishers. By 1978, it had published 7,000 titles in 70 different languages. About 13,000 UNESCO documents are issued annually. During 1979-80, the year of its General Conference in Bulgaria, UNESCO workshops printed approximately 305 million pages of documents.

UNESCO's worldwide network for information distribution is formidable. Through the National Commissions and other UNESCO outlets in the 158 United Nations member states, the Secretariat has access to national libraries, universities, ministries of education, school systems, and national media outlets. In addition, UNESCO is currently discussing with Intelsat the renting of radio and TV channels on as many as three international satellites. Intersputnik, the Soviet International Satellite Organization, has also been involved in the discussions, as have been the world's major news wire services. If UNESCO establishes such an international satellite TV network for its member states, it will acquire the potential to deliver news and information programs to even the most rural parts of the underdeveloped nations. As the

international "referee" between the international wire services and producers of satellite shows for such a network on the one hand and client member states on the other, UNESCO would wield enormous power over the mass media world wide. Decisions concerning the news and information that would be allowed to enter each country via the proposed international satellite network might well be fought out at UNESCO in Paris.

A sponsor of conferences, UNESCO may hold the prize as the world's most prolific. This year alone, UNESCO plans to host 240 international meetings in the fields of education, science, social science, cultural affairs, informatics, and communications. Nearly a third of UNESCO's current three-year budget is earmarked for education programs. An additional \$41 million is allocated for the social sciences.

Permeating programs in every UNESCO sector, however, are arguments advocating the "New International Economic Order." NIEO, as it is generally known, is a simplistic scheme to redistribute the world's wealth and resources to more than 100 underdeveloped nations, creating a global welfare state financed mainly by the U.S. and the Western industrial nations. UNESCO books and documents are filled with NIEO rhetoric, and the issue underlies all important UNESCO conference debates. In short, NIEO appears to be the UNESCO hidden agenda. The debate on the so-called New World Information Order, and the threat it poses to the free press, for example, stem from applying the NIEO concept to the field of mass communications.

NIEO'S IMPACT ON EDUCATION AT UNESCO

What is the New International Economic Order and where did it come from? It is hardly "new." As two British authors have pointed out: "It is the most far-reaching application of Fabian socialist theories of wealth distribution, state control and economic planning to international relations yet attempted by Third World governments and their Western cheerleaders."¹

Swedish socialist economist Gunnar Myrdal essentially set forth the NIEO scheme in An International Economy in 1956. The U.N. General Assembly adopted NIEO on May 1, 1974. More recently UNESCO published what may be the definitive theoretical work on NIEO to date: Towards A New International Economic Order by Mohammed Bedjaoui, the former Algerian ambassador to France.

Bedjaoui's book is actually a formula for creating a global superstate. He declares that there must be a "joint pooling of all the riches and resources of the planet, a pooling free of any

¹ Peter Bauer and John O'Sullivan, "Ordering the World About: The New International Economic Order," Policy Review, Summer 1977, p. 55.

national self-seeking."² Bedjaoui sees NIEO as a new "law of mankind." He foresees the developing nations establishing "an international regime and machinery," which would regulate the use of earth's resources by the developed nations. This "international authority" would also make "capital and technology" available to the Third World so underdeveloped nations could compete in the mining of earth's natural treasures.³

What Bedjaoui is really talking about is a world government with the power to enforce NIEO. British economist Peter Bauer and Policy Review editor John O'Sullivan have responded to such arguments by noting just how powerful an "international authority" would have to be in order to enforce NIEO. They maintain that:

only a world government with extensive, or indeed, almost dictatorial powers would stand a reasonable chance of enforcing such an economic order indefinitely.⁴

Bedjaoui is one of a school of Arab radical intellectuals who have been making their mark at UNESCO. Mustapha Masmoudi, a Tunisian, was the author of The New World Information Order (NWIO), a frontal attack on the world's free press, especially the international wire services.

Professor Richard Bissell, a University of Pennsylvania political scientist and expert on the U.N., notes the heavy influence of French left-wing intellectuals of the Jean-Paul Sartre persuasion on UNESCO during the 1950s. Bissell observes that the French government "nearly became communist" around 1948. About this time many leftist French foreign service officials returned to Paris, and according to Bissell, "had a tremendous influence on UNESCO."⁵

Amadou-Mahtar M'Bow of Senegal, Secretary-General of UNESCO since 1974, is a very important player in the harnessing of UNESCO's resources to the NIEO. He has frequently enunciated NIEO as UNESCO's most important product:

UNESCO has made the search for a new international economic order one of the major directions of its actions--perhaps even its main focus.⁶

² Mohammed Bedjaoui, "Towards A New International Economic Order, (Paris: UNESCO; and London: Homes and Meier, 1979), p. 235.

³ Ibid. p. 237

⁴ Bauer and O'Sullivan, op. cit., p. 68.

⁵ Dr. Richard Bissell, Dept. of Political Science, University of Pennsylvania, interview, July 26, 1982.

⁶ Amadou-Mahtar M'Bow, "Towards a New Form of Dialogue Between the Nations," address delivered at the 11th Special Session of the U.N. General Assembly, September 2, 1980; also this passage given again in one of M'Bow's addresses at UNESCO General Conference, September-October 1980, Belgrade, Yugoslavia.

In 1976, M'Bow commissioned the writing of Moving Towards Change: Some Thoughts on the New International Economic Order, an outline of UNESCO's role in promoting NIEO. During his term as UNESCO boss, he has shifted the focus of UNESCO's mission away from its original goal of creating world "intellectual cooperation" toward emphasis on Third World "development," which translates to NIEO.

Moving Toward Change, moreover, explicitly rejects the Western free market economy, stating that the "'Western model of development' is not generally applicable in space or in time." The book implores developing states to turn away from "the centers of economic power (e.g. the United States) as the sole repositories of truth, civilization and universality."⁷

It calls for a "strengthened power structure at the international level." This "strengthening" would serve to weld the U.N. specialized agencies closer together, apparently under the umbrella of a superagency that would operate by "planning procedures" rather than "market mechanisms." What this adds up to is a planned world economy under the jurisdiction of a U.N. economic planning agency. "...[T]he instruments of free exchange, (i.e. dollars) favour the strongest, so that planning is essential to allow of participation by the weakest countries which are in the majority."⁸

Thus, in looking more deeply into UNESCO's commitment to NIEO, it becomes clear that M'Bow and his staff see the U.N. as the focal point for such a new socialist, planned economy employing a new monetary system and a new medium of exchange.⁹ Not only does M'Bow's UNESCO ignore the arguments in support of capitalism but, what is worse, it ignores the decades of evidence that free enterprise and a strong private sector are indispensable ingredients for economic development in the Third World.

Perhaps M'Bow's motive is to guarantee perpetuation of UNESCO's own bureaucracy. Indeed, Moving Towards Change strongly suggests that the creation of a new international economic regulatory agency under the U.N. canopy may be the only way to right the world economy and to avert eventual war. According to this treatise, UNESCO is supposed to make four major contributions to NIEO: (1) facilitating the transfer of science and technology from the West to the Third World; (2) broadening the scope of education and directing its course "so that the people of each country will be fitted to see their own development"; (3) "developing communications and information systems for the developing countries"; and (4) helping peoples of the Third World to make

⁷ Moving Towards Change; Some Thoughts on the New International Economic Order (Paris: UNESCO Press, 1976), p. 19.

⁸ Ibid., pp. 37-38.

⁹ Ibid., p. 53.

the change to the technological world without losing their cultural identity by teaching them how to "examine" themselves and their values through the modern social sciences.¹⁰

How much influence does the United States have in return for its 25 percent support of the UNESCO budget? Not much. For example, a Soviet national is an Assistant Director-General at UNESCO--Sioma Tanguiane, in charge of the extremely important educational programs--but there is no American in a comparable Assistant Director-Generalship. Americans make up only 5.1 percent of the UNESCO professional staff of directors and senior posts, despite the huge U.S. financial backing. The combination of M'Bow's NIEO sympathies and the scarcity of free enterprise oriented Americans and Westerners in positions of authority has made UNESCO a veritable broadcasting center for the myths of a share-the-wealth, global utopia.

These myths, of course, are most harmful to the developing nations themselves. Instead of urging the advantages of hard work and independent business enterprise and investment, NIEO preaches that poor nations can become affluent by demanding the wealth of the developed, industrial countries--a sure way of condemning the already poor nations to even more poverty.

Consistent with encouraging such myths, UNESCO has for some time given education money to national liberation movements--most of them Marxist. These have included the FRELIMO of Mozambique and the MPLA of Angola, both of which are now in power in their respective countries. Aid has also gone to the terrorist Palestine Liberation Organization; to the Southwest African People's Organization (SWAPO), a Marxist group with a long record of terror in Namibia; to the African National Congress (ANC), another Marxist guerrilla group using terrorist warfare against South Africa; and the Pan-Africanist Congress (PAC), a Maoist spinoff faction of the ANC. The PLO, SWAPO, ANC, and PAC have been allocated UNESCO education funds totaling at least \$8 million for 1981-83.

In backing liberation movements, however, UNESCO, like the rest of the U.N., invokes a double standard. While Marxist and anti-Western terrorist groups get the money and support, the non-Marxist liberation movements in South Africa, Namibia, and the Middle East are not funded or recognized by UNESCO. Apparently, UNESCO is not opposed to factions that would impose the socialist NIEO by armed force. Indeed, FRELIMO and the MPLA have already done just that in Mozambique and Angola, in part with UNESCO funds. UNDP and the World Food Program, which also have given large sums to these liberation groups, help to fund and cooperate closely with UNESCO.

¹⁰ Ibid., pp. 85-86.

NIEO and UNESCO's Education and Social Science Programs

Director-General M'Bow and the UNESCO Secretariat see the Education and the Social Science sectors of UNESCO as the means of realizing the "new international economic order." In line with its Fabian socialist underpinnings, the NIEO gradually has politicized all of UNESCO's sectors, including Education and Social Science.

How can UNESCO influence the world's education systems in favor of NIEO or any other theory? The answer lies in UNESCO's resolve to help with science and technology transfer, to "broaden the scope of education," "to develop communications and information systems," and to help societies with self-examination through social science techniques. In each of these activities UNESCO offers the same kind of assistance: information in the form of books, studies, and surveys; conferences of experts hosted by UNESCO; and training natives of UNESCO member states in disciplines such as education and science.

In the case of training, UNESCO acts as a consultant and middleman. For a literacy program, for instance, UNESCO recruits experts from among its 158 member states and pays their salaries, expenses, travel, and equipment either out of its own funds, the funds of the requesting country, another international organization, or a combination of these funding sources. This role of "catalyst" makes UNESCO attractive to scholars and politicians alike. It provides an international clearinghouse for experts and ideas. As a huge think tank, it is a major organizer of conferences for experts in fields ranging from educational administration to computer science and biophysics. Scholars and scientists, interviewed for this study, who have attended UNESCO meetings, often remarked that UNESCO conferences attracted professionals from more countries than any other organization. It is through providing this international forum, "intellectual cooperation" as UNESCO calls it, that it wields so much influence.

UNESCO itself, then, is almost a kind of university where the world's thinkers and planners can meet. Such a forum is especially attractive to professionals and government officials of the developing nations. Were UNESCO to provide them with information and training on the full spectrum of rationales, strategies, and tactics for various systems of economic development and other matters, it would be fulfilling the terms of its charter. Instead, UNESCO has been betraying its charter. Under Director-General M'Bow, the UNESCO Secretariat has been transmogrified into an advocate, even a lobbyist, for one system--the NIEO.

Translating NIEO into Educational Planning

A key to UNESCO's NIEO education strategy is set forth in Moving Towards Change when it calls for the "remodelling of present educational systems."¹¹ In this regard, UNESCO intends

¹¹ Ibid., p. 89.

to influence the top officials of governments to carry home the NIEO formulas and seed them in their local school systems.¹² Thus will UNESCO transmit these NIEO ideas to Third World classrooms and students.

One way to seed these development schemes into education systems is through planning and management procedures. During the last fifteen years, largely through its subsidiary, the International Institute of Educational Planning (IIEP) in Paris and its Regional Training Centers and Regional Offices for Education, UNESCO has trained many high and middle-level personnel for the Third World.

UNESCO educational planning models exhibit a dangerous drift toward highly centralized, state controlled educational systems modeled closely after socialist style planned economies. This is in particular contrast to education in the United States, which enjoys one of the few truly decentralized school systems.

Daniel Haag, an education expert and professor at the University of Neuchatel in Switzerland, writes in a new UNESCO book that too much decentralization may interfere with the "right to education" proclaimed in the 1948 U.N. Universal Declaration of Human Rights:

Decentralization accompanied by broad local authority may without corrective mechanism, run counter to an extension of the right to education, either because certain regions are poorer in relation to others, or because certain local administrations deliberately devote fewer resources to education than elsewhere.¹³

Haag makes it clear that he favors a business style of school management modeled after systems theory. This has been tried in the U.S. under the aegis of the planning-programming-budgeting system (PPBS). The effect is to standardize all subjects taught and classwork through the use of mechanized teaching "modules." Whereas systems theory management might work well for an auto assembly line, it makes classroom teaching less spontaneous and more artificial. Through its application of accounting procedures to students, it also lends itself well to Pavlovian "behavior modification" techniques. PPBS is one of several models for centralizing an entire country's education system under a single ministry or department. The centralized ministry, through a computer data bank, can be directly tied to the computers of each school district, region, or state. This makes for a high degree of standardization of curricula and gives tremendous control to the state education authority. Completely discarded

¹² Ibid.

¹³ Daniel Haag, The Right To Education: What Kind of Management? (Paris: UNESCO, 1982), p. 95.

are the private and decentralized systems of education that have proved so valuable in the developed West. Haag suggests PPBS-type systems lead to "decentralization." What he really means is they lead to fragmentation of local school districts and more centralization of power at the top--at the ministry level.

The idea of centralized education has long been brewing at UNESCO. One of UNESCO's bestselling books, Learning To Be: The World Of Education Today and Tomorrow, now available in 35 languages, called for state control of education in 1972:

We would recommend that one single State authority be given general responsibility for educational activity, or at least for the entire school system.¹⁴

In 1960, a decade before Learning To Be, UNESCO adopted a "Convention Against Discrimination in Education." Though it outlaws discrimination of any kind by educational institutions against students and teachers, it also requires all nations party to the treaty to submit regular reports to UNESCO on legislative and administrative measures taken against such discrimination. And Article 8 contains the startling provision that "any dispute between two or more states" party to the Convention shall, failing a negotiated settlement, be referred to the International Court of Justice (the World Court at the Hague) for a final decision. The Convention was hailed by both the USSR and Cuba. It is an attempt at educational centralization on a world scale.

The NIEO inspired revival of the "right to education" idea is the 1980s' version of this Discrimination Convention. On February 2, 1970, Senator William Proxmire urged the ratification of the UNESCO Discrimination Convention by the U.S. Senate. Thus far the Senate has not signed this convention. Nor has the Senate signed two U.N. Human Rights Conventions, one on civil and political rights, the other on economic, social, and cultural rights. Both these covenants--to date signed by less than half of UNESCO's members--are inspired by the U.N. Universal Declaration of Human Rights of 1948. One of the "human rights" listed in the latter document is the "right" to state-supplied "food, clothing, housing and medical care and necessary social services" as well as unemployment benefits, and a "right to security" in case of sickness, disability, widowhood, old age, or other lack of livelihood beyond [one's] control. This is shorthand advocacy for the social welfare state, in which each person has the "right" to all material well-being simply by virtue of being alive. This is the essence of NIEO. Similar "human rights" are strongly advocated by UNESCO as ideal school subject matter from the primary grades through university education.

¹⁴ Edgar Faure (ed.), Learning To Be: The World of Education Today and Tomorrow (Paris: UNESCO, 1972), p. 272.

NIEO AS THE CURRICULUM OF LIFELONG EDUCATION

Another pervasive phrase in UNESCO education documents is "lifelong education." At first the idea seems benign enough--continuing the educational experience throughout an individual's entire life. A closer look reveals that this is another UNESCO planning matrix for standardization and centralization of education.

UNESCO educational theorists define lifelong education broadly as the entire process of a person's life--in and out of school. UNESCO places great emphasis on "non-formal" and out-of-school education for obvious political reasons. It rejects what it calls "elitist education systems in favor of those designed to provide greater social justice."¹⁵ "Elitist" is UNESCO-speak for school systems rooted in the Western middle-class tradition. The objective is to create a new kind of school system devoid of the social-cultural traditions of the Western industrialized nations. This new kind of school tradition has been called "development education," and as "lifelong education," it is reinforced throughout life. It concentrates on the "injustice" worked against poor countries by the developed nations, the main injustice being the very wealth of the developed nations. One of its advocates, Ruth Padrun, writing in a UNESCO Schools Project circular, attacks the Western industrial nations:

The development of certain nations (e.g. the U.S., Western Europe, etc.) is only possible in today's world to the extent that it is rooted in the underdevelopment of other countries.¹⁶

This is pure NIEO, the unsubstantiated argument that Western colonialism and imperialism are the cause of Third World underdevelopment. One problem with the argument is that not all the Third World is poor. Even aside from the oil-rich states, Taiwan, South Korea, Hong Kong, Malaysia, Kenya, Brazil, Ivory Coast, and Singapore have all experienced rapid economic growth.

Nonetheless, UNESCO markets, as its educational philosophy, the NIEO concept that the Western industrial nations have acquired their wealth unjustly and that their power in the world economy must be broken and their wealth redistributed.

Ruth Padrun sums this up by saying that present-day education is "still fundamentally conservative and traditional" and must be radicalized with the "development education" ideology as in the internationalist school curricula of Hungary and Sweden.¹⁷

¹⁵ Thinking Ahead: UNESCO and the Challenges to Today and Tomorrow (Paris: UNESCO, 1977), p. 199.

¹⁶ Ruth Padrun, "Development Education in Schools," International Understanding at Schools, No. 28., p. 8.

¹⁷ Ibid.

She notes that centralized school systems like those in the United Kingdom and Switzerland are useful for NIEO-oriented teaching experiments, but "offer no hope of extending the scope of such work." In contrast, under centralized systems like those of France or Sweden "every decision to introduce changes or reform has speedy repercussions throughout the country."¹⁸ Padrun candidly admits that "we do not think that education is neutral; on the contrary, it is an essentially political phenomenon."¹⁹ She adds that children between ten and fifteen years old are ideally suited to be "sensitized" to the "link that exists between the dependence of developing countries on the dominating industrialized nations and the situations of dependence and domination evident within their own countries."²⁰ Was UNESCO created to propagate such theories?

Lifelong education now permeates UNESCO thinking on education. It was one of the objectives of the U.N.'s International Education Year in 1970. It was a major theme of the International Conference on Education sponsored by UNESCO's International Bureau of Education in Geneva in 1975. Edgar Faure, former French Prime Minister and Minister of Education, highlighted it in Learning To Be in 1972. It is a main theme in a 1977 UNESCO book Education Today for the World of Tomorrow by the then Secretary-General of the Swiss National Commission for UNESCO, Charles Hummel. UNESCO Director-General M'Bow commissioned another book in 1977 called Thinking Ahead: UNESCO, The Challenges of Today and Tomorrow, which promotes lifelong education. In 1979, UNESCO's Institute of Education (UIE) in Hamburg solicited studies from member states around the world on the subject of "School Textbooks for Lifelong Education." The Northwest Regional Education Laboratory of Portland, Oregon, prepared the U.S. study for UIE with financing from the federal government's National Institute of Education. Lifelong education is also a major theme in UNESCO's Associated Schools Project and is often discussed in the Project's journal, International Understanding at School.

The lifelong education theme has become as well a strategy for breaking down the traditional "Europe-centered" educational traditions, which are called too "rigid" to accommodate the "global perspective" that UNESCO views as the guiding principle in education at all levels. The impetus for this global perspective was formally stated in the "Recommendation concerning Education for International Understanding, Co-operation and Peace and Education relating to Human Rights and Fundamental Freedoms," drafted at the 18th UNESCO General Conference in Paris in October-November 1974.

¹⁸ Ibid., p. 6.

¹⁹ Ibid.

²⁰ Ibid.

This document is essentially the UNESCO version of the NIEO, which was drafted on May 1 of the same year in the U.N. General Assembly. The global perspective UNESCO is promoting for the world's education system is specific. Both in the "Recommendation for International Understanding" and in other UNESCO writings, the direction is toward making the U.N. Universal Declaration of Human Rights "an integral part of the developing personality of each child, adolescent, young person or adult." UNESCO encourages inclusion of the Declaration as part of a national policy on international education. As such, the universal "welfare right" of that controversial Declaration is to be promoted by UNESCO as an essential element in education. The 1974 "International Understanding" also recommends that:

Education should emphasize the true interests of peoples and their incompatibility with the interest of monopolistic groups holding economic and political power, which practice exploitation and foment war.²¹

Certainly no one can be against a policy that decries exploitation and fomenting war, but words have very special meanings in the U.N. context.²² When filtered through the NIEO prism, "monopolistic groups" becomes for school children not only all agencies with enormous power (such as the ruling parties of one-party states), but also multinational corporations and governments of the Western industrial nations. This is what Adelaide Kernochan suggested in UNESCO's Associated Schools Project journal International Understanding at School. For teaching children the concept of "economic injustice," Kernochan recommends:

Insights concerning the unjust division of the world's resources, materialism and human values can evolve from investigation of a single commercial product, such as aspirin. Students can research price-fixing, advertising, the power of the producer and consumer, the availability of health care and medicine for the poor, and role of multinational corporations.²³

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- ²¹ UNESCO "Recommendation Concerning Education for International Understanding, Co-operation and Peace and Education Relating to Human Rights and Fundamental Freedoms," adopted at UNESCO 18th General Conference, Paris, October 17-November 23, 1974, Section V, item #15.
- ²² See Juliana Geran Pilon, Ph.D. "Through the Looking Glass: The Political Culture of the U.N.," Backgrounder #206, The Heritage Foundation, August 30, 1982.
- ²³ Adelaide Kernochan, "Suggestions for Innovative Programmes and Projects in Associated Schools: An Account of the Meeting held at UNESCO Headquarters, July 21-25, 1975," printed in International Understanding at School, #30, p. 5.

UNESCO'S LOBBYING FOR NIEO EDUCATION

What kind of dividends has UNESCO realized on its investment in publicity and publishing to promote the teaching of NIEO redistribution and welfare economics in the schools? As a thriving think tank and international intellectual forum, UNESCO influences education from the top down. This policy has been pursued consciously--especially under the aegis of "lifelong education"--through its regional conferences of Ministers of Education, its International Conferences on Education of the IBE in Geneva, meetings with the senior education officials of the 25 least developed countries, the International Commission of the Development of Education, as well as its publications and international meetings of experts.²⁴ And this is paying off.

In the recommendations of the UNESCO Regional Conferences of Education Ministers from 1976-1980, there are endorsements by the participants of various NIEO-oriented education programs. The 1976 Conference of Ministers of Education of the African Member States held in Lagos, Nigeria, resolved to "Encourage (Director-General M'Bow) strongly in the efforts which he is making to involve UNESCO in the establishment of a new international economic, social and cultural order" and assured "him of their resolute support in all his efforts to overcome the obstacles to which his action may give rise."²⁵

The 1977 Arab Education Ministers Conference in Abu Dhabi requested increased UNESCO aid for education to the PLO.²⁶ At the 1978 Regional Conference for the Education Ministers of Asia and Oceania, M'Bow endorsed NIEO and its corresponding "New International Social Order" in his closing remarks to the participants.²⁷ The 1979 Regional Conference of the Education Ministers of Latin America and the Caribbean in Mexico City ringingly endorsed NIEO, requesting UNESCO "to continue to collaborate assiduously in the speedy inauguration of a New International Economic Order...." The Ministers at this conference blamed the low funding of education in the Latin American and Caribbean region and even the region's low "gross national product," not on these nations' own woeful economic policies, but on "major problems stemming from an unjust international economic order."²⁸

²⁴ Thinking Ahead, op. cit., pp. 198-199.

²⁵ Final Report, UNESCO Regional Conference of Ministers of Education of the African Member States, Lagos, Nigeria, January 27-February 4, 1976, p. 34.

²⁶ Final Report, UNESCO Regional Conference of Education Ministers, Abu Dhabi, United Arab Emirates, 1977, p. 36.

²⁷ Final Report, UNESCO 4th Regional Conference of Ministers of Education for Asia and Oceania, Colombo, Sri Lanka, July 24-August 1, 1978, p. 12.

²⁸ Final Report, UNESCO Regional Conference of Education Ministers in Latin America and the Caribbean, Mexico City, December 4-13, 1979, Recommendation No. 29.

In 1980, Europe's Education Ministers met at their UNESCO regional conference in Sofia, Bulgaria. They strongly endorsed UNESCO's program in Education for International Understanding--in effect, a curriculum highly antagonistic to the free market economy and multinational corporations. They also enthusiastically embraced UNESCO's programs in "disarmament education," in opposition, among other things, to needed NATO defense outlays.

UNESCO obviously has mobilized active support for its NIEO based education programs and ideas. It has carried on this lobbying at the highest levels of the education ministries on three continents--Africa, Latin America, and Europe.

UNESCO TAKES NIEO INTO THE CLASSROOM

UNESCO educational theorists have divided the NIEO concept into a number of classroom subjects easily grasped by children. The strong political bias is well disguised. Most of the NIEO classroom curriculum comes under such innocuous titles as, "Teaching International Human Rights," "Disarmament (or Peace) Education," and "Moral (or Values) Education." The term "New International Economic Order" is not heard much in U.S. education, but most NIEO concepts are being promoted in the United States under the title "Global Education" or "Global Perspectives" by a group of radical educators.

UNESCO'S Associated Schools Program

In its Associated Schools Project UNESCO has a small, but growing grass-roots movement for NIEO centered education with a global perspective. At its start in 1953, the program had 33 schools in 15 countries. Today there are 1,500 schools in 79 countries. They report both to their National Commissions for UNESCO and to UNESCO headquarters in Paris. While students in these schools study "other countries and cultures," they also study disarmament, education, and "international human rights" with a NIEO slant. In a recent issue of the Associated Schools Project journal, International Understanding at School, Prem Kirpal of India, former Chairman of UNESCO's Executive Board, called for a new universal form of international education for the 21st Century, "Education for International Understanding," the NIEO rationale for lifelong education.²⁹

The Associated Schools Project consistently runs pro-NIEO articles in its journal, such as "Towards a New International Economic Order," by B.P. Menon of the U.N. Center for Economic and Social Information. This article is a short history of the

²⁹ Prem Kirpal, "Toward an Education for the 21st Century; The Global Prospects," International Understanding at School, #41, pp. 3-6.

NIEO concept designed for teachers to incorporate into their lesson plans. It includes such statements as:

...world peace is impossible as long as two-thirds of the planet's population exist in poverty and the remaining third live in wasteful affluence.³⁰

The bias is palpable. Nothing is said, for instance, about the enormous and exhaustively documented wastefulness and corruption of Third World governments who, after all, are the direct recipients of massive amounts of Western foreign aid. The fact that Western aid is often squandered by Third World leaders before it reaches the Third World poor is never mentioned in UNESCO discussions of the NIEO.

Teaching International Human Rights

UNESCO guidelines for teaching international human rights suggest using certain U.N. human rights documents--particularly the 1948 Universal Declaration of Human Rights, but also the 1959 Declaration on the Rights of the Child, the 1963 Declaration on the Elimination of All Forms of Racial Discrimination, and the 1967 Declaration of the Elimination of Discrimination Against Women--as the basis for teaching. There are often references to the human rights violations of apartheid in South Africa or to alleged violations by the governments of Chile, the Dominican Republic, El Salvador, or Honduras. These guidelines are strangely silent about the well-known human rights violations in the USSR, Cuba, Mainland China, Eastern Europe, or Vietnam.

Most UNESCO documents on teaching international human rights seem not to focus on what have been regarded traditionally as those human rights essential to a free society such as free speech, free assembly, right to religion, and free press. The emphasis rather is on the various aspects of the "right" to a welfare state society stemming from Article 25 in the U.N. Universal Declaration of Human Rights. In a new UNESCO book on teaching human rights, for example, UNESCO author and former vice-chairman of the U.S. National Commission for UNESCO, Judith Torney-Purta, suggests that "hunger (in underdeveloped nations) is a problem of social and economic rights."³¹ This is the NIEO argument adapted to the classroom. Torney-Purta also suggests "sequencing" techniques like presenting the U.N. "International Bill of Rights" before teaching children about their own national Constitution or Bill of Rights. Reason: if children acquire an international concept first, they will tend to identify with it and thus not develop a first loyalty to their own country and Constitution.³²

³⁰ B.P. Menon, "Towards a New International Economic Order," International Understanding at School, #34, p. 5.

³¹ Dr. Judith Torney-Purta, Teaching for International Understanding, Peace and Human Rights, review manuscript (Paris: UNESCO, 1982), p. 8.

³² Dr. Judith Torney-Purta, from Political Education in Flux, Heater and Gillespie, eds. (Beverly Hills, Calif.: Sage Publications Inc., 1981) p. 285.

The 1973 International Congress on the Teaching of Human Rights in Vienna heard a report on "Perspectives on the Teaching Human Rights in the European Socialist Countries." Much was made of the "freedom" of East Germans "from exploitation from capitalists" and how East Germans and Poles study racism, apartheid, and international legal regulation of human rights. This report said not a word about violations of free speech in Czechoslovakia, harassment of "dissidents" in Yugoslavia and Romania, and violation of religious freedoms in Hungary and elsewhere in Eastern Europe.

UNESCO's Disarmament Education Strategy

"Oblivion is the only alternative to world disarmament." So proclaims Sean McBride, UNESCO author and winner of both the Lenin and Nobel Peace Prizes, and it sums up well the UNESCO policy on disarmament education. UNESCO has made disarmament education an adjunct to its NIEO development policy by repeating how the achievement of total world disarmament would free over \$500 billion annually in funds for Third World development.³³ The arms race is thereby pictured as yet another form of exploitation of the world's poor nations by the rich.

Many UNESCO authors link the realization of the NIEO and the accomplishment of world disarmament. Mohammed Bedjaoui, one of the chief UNESCO theorists on the NIEO and international law, writes that without a global redistribution of the planet's wealth to the developing nations "we shall bring down upon our heads the atomic apocalypse."³⁴ Thus the developing nations are made both the underdog heroes and, somehow, the victims of the globe's arms producers. Ignored are the facts that the vast majority of global arms outlays are for non-nuclear weapons and that arms sales to Third World nations are made at the request--sometimes the pleading--of Third World governments.

UNESCO advocacy for unilateral disarmament is well publicized. Whole issues of the monthly UNESCO Courier magazine are devoted to disarmament. The March 1982 edition, for instance, attacked military spending as a waste of (1) manpower, (2) industrial production, (3) raw materials, (4) land, (5) research and development, as well as money.³⁵ No alternative view was given. Nothing was said about the need for national self-defense. Nor, in this sweeping condemnation, was there any mention of arms being used at this moment against innocent civilians in the conventional, biological, and chemical warfare in Afghanistan and Southeast Asia.

³³ "World Problems in the Classroom, Educational Studies and Documents," (Paris: UNESCO, 1981), #41, p. 16.

³⁴ Bedjaoui, op. cit., p. 240.

³⁵ "Ten Principles of Disarmament Education," UNESCO Courier, September 1980, p. 19.

The September 1980 Courier, entitled "A Farewell to Arms?" also was devoted entirely to disarmament. This issue reprinted the "Ten Principles for Disarmament Education" adopted by the UNESCO World Congress on Disarmament Education, held in Paris on June 9-13, 1980. Among those principles are recommendations for distributing pro-disarmament materials to schools, families, community organizations, work places, universities, research centers, and information media outlets. There is a call for "the most imaginative teaching methods, particularly those of participatory learning" to be employed in the schools to teach disarmament. The trouble is, UNESCO's view of disarmament has become woefully unbalanced. As such, it fails to advance the cause of genuine disarmament that could lead to a safer world.

Rodolfo Stavenhagen, in 1980 the UNESCO Assistant Director-General for Social Science and its Applications, told the UNESCO World Congress on Disarmament that there is "a need for a global, multilateral effort to promote disarmament." He also castigated "most of our textbooks, history books and popular literature" for helping "to conjure up a glorified vision of military personalities, feats of arms, wars and conquests to which children are conditioned from an early age."³⁶ Stavenhagen and other UNESCO advocates of disarmament offer no solution, however, to solving the arms race. Nor do they consider what to do about countries with expansionist military policies that do not allow teaching about disarmament violations by their own governments or even allow freedom of expression in their schools or press.

UNESCO And Values Education

UNESCO and Director-General M'Bow, who commissioned Moving Toward Change, consider values education an important part of the strategy to achieve the NIEO. Suddenly introducing high technology and high-speed communications into a relatively primitive developing nation can have drastic social consequences. UNESCO, therefore, looks to its social sciences sector to help developing nations make the technological switch.

There is a point, however, at which so-called values education, values clarification, or moral education--to cite a few of its many names--becomes manipulative conditioning of the mind and emotions. Such manipulative techniques derive from the behaviorist school often associated with the American psychologist, B.F. Skinner. This school regards man as merely a more sophisticated animal who has no spiritual dimension or even free will. This kind of psychology and the values education based on it are very popular among UNESCO's writers and thinkers.

³⁶ In Marek Thee (ed.), Armaments, Arms Control and Disarmament (Paris: The UNESCO Press, 1981), p. 327.

A good example is the UNESCO bestseller, Learning To Be, edited by former French Prime Minister and Minister of Education, Edgar Faure, together with a UNESCO International Commission on the Development of Education. This Commission also included Soviet Education Professor, Arthur V. Petrovsky; an American adviser on international education from the Ford Foundation, Frederick Champion Ward; and professors from Iran, Syria, the Congo, and Chile.

The authors claim to be in search of a "new educational order," which is "based on scientific and technological training, one of the essential components of scientific humanism."³⁷ Scientific humanism allows no room for any religious belief embodying a divine principle or person. Faure and his associates take a slap at the hundreds of millions of believers in the world by stating early in the book that religions and belief in the Divine are the real reasons for "many of the hierarchical forms and discriminatory practices for which current educational systems are blamed...."³⁸

Without God or religious standards, a moral substitute is sought in "relativity and dialectical thought, which would appear to be," say the writers of Learning To Be, "a fertile ground in which to cultivate the seeds of tolerance." In the West this has come to be known as "situation ethics." It accepts no absolute moral principles. All values become relative. Thus, the principles of good and evil are not accepted. Says the Faure book: "An individual should avoid systematically setting up his beliefs and convictions, ... his behavior and customs as models or rules valid for all times...."³⁹ This would rule out the Ten Commandments and other religious imperatives.

W. D. Wall, a British educational psychologist, wrote a bestseller for UNESCO, Constructive Education for Children. It was first published in 1955 to summarize the results of the 1952 Regional Conference on Education and Mental Health of Children in Europe. His 1975 revision of the book for UNESCO echoes some of the familiar themes of the Faure work. Again there is the attack on religious belief as the breeding ground of "intolerance." Wall attacks the idea of truth itself. The healthy psyche, he writes, should cultivate

Provisional belief rather than conviction, the acceptance of the notion that "truth" may be personal and many-sided, the dynamic tolerance of true agnosticism which accepts that doubt is an essential background to action and that conviction may be a bad master.⁴⁰

³⁷ Faure, op. cit., p. 146

³⁸ Ibid., p. 8.

³⁹ Ibid., p. 148.

⁴⁰ W.D. Wall, Constructive Education for Children (Paris and London: UNESCO and Harrap, 1975), p. 55.

For this era of "true agnosticism" to be born, Wall says, the world's population must first be reduced through population education and the NIEO must communize at least part of the wealth of the developed nations.⁴¹

Thus, standing solidly in the NIEO camp, Wall's UNESCO book advises the world's parents not to teach their children religious principles of morality, which he calls "moral indoctrination."

Howard D. Mehlinger, a U.S. social scientist and advocate of a NIEO education, has edited a 1981 UNESCO Handbook for the Teaching of the Social Studies. Its purpose is to advise teachers how to teach situation ethics and NIEO concepts to children. These techniques are known to American educators as "values clarification games." The format is usually a student group discussion with the teacher acting as "facilitator" in which the topic is some sort of crisis like a sinking boat crowded with people. Typically, the students are asked to decide who drowns and who lives. This psychological technique is designed to teach youngsters that all values are relative and subject to change with the situation. Thus the term "situation ethics."

In one value game proposed for children in this UNESCO book available through UNESCO in 158 countries, students are given the "problem" concerning a man whose wife is dying of cancer and who does not have the money to buy the rare drug needed for her cure. The man with the rare drug is characterized as a miser, unwilling to lower his \$2,000 price. Students are then asked to decide whether or not the husband should steal the drug.⁴² The problem is designed to prompt the student to decide in favor of stealing. There is no mention of such alternatives as the husband's trying to get an emergency loan from friends or putting up property as collateral. This and the other values games in such books condition students for accepting the NIEO arguments of welfare economics and the redistribution of wealth and the myth that developing countries are poor mainly because developed states are relatively wealthy.

Michel Debeauvais, in a recent issue of UNESCO's Prospects: Quarterly Review of Education, sees the traditional school system as part of the "values problem" in the Third World.

What concerns us here is the social selection performed by the education system insofar as it contributes to the distribution of social roles and jobs in a hierarchized society. The hierarchy of school tends to match the job hierarchy; where expansion of the education system is not matched by changes in the job structure,

⁴¹ Ibid., p. 205.

⁴² Howard D. Mehlinger, UNESCO Handbook for the Teaching of the Social Sciences, (Paris and London: UNESCO and Croom Helm Ltd., 1981), p. 195.

the situation is perceived as a dysfunction requiring corrective measures.⁴³

The assumption here is that there is such a thing as an unhierarchical or classless society and that distributing wealth within an individual country and between countries would equalize all social roles and hierarchical positions. This is utopian-- which is fine were it published by a philosophical journal or a partisan political organization. That such wishful thinking is being funded and disseminated by the U.N., however, is a very different matter.

CONCLUSION

According to its own Constitution, UNESCO's purpose is to increase and diffuse "knowledge" to the world and to "give a fresh impulse" to education. In the past decade, however, UNESCO increasingly has sacrificed education to its obsession with transferring the wealth of the developed industrial nations to the underdeveloped nations and creating a New International Economic Order by the year 2000. This is Director-General M'Bow's agenda and has become UNESCO's.

By promoting the NIEO, M'Bow and his aides mislead rather than serve the developing world. They are quite explicit in what they want, however. Third World development is referred to as a "worldwide New Deal" in the draft of the UNESCO Medium Term Plan (1984-1989). This plus the UNESCO platform of a "strengthened international power structure," the NIEO references to a new monetary system, and the UNESCO promotion of a U.N. based economic planning agency add up to a UNESCO bureaucracy that is trying to perpetuate its own existence. In promoting NIEO so strongly, UNESCO is promoting itself as at least one of the NIEO administrative agencies. It is endorsing "big government spending" in the arena of international agencies and trying to move world opinion in the direction of a planned socialist economy.

The U.S. and the West have more than a simply curious interest in this matter. Americans pay more of UNESCO's bill than any other people. As such, they have a right to demand that their costly investment in education for the developing world will one day pay dividends to those developing nations. M'Bow and UNESCO offer no hope of this.

By emphasizing the NIEO, not literacy, UNESCO's secretariat is ignoring the free enterprise systems which have demonstrated the ability to develop the underdeveloped and to raise the living standards for all within a nation. Ironically, it is precisely

⁴³ Michel Debeauvais, "Education and a New International Economic Order," Prospects: Quarterly Review of Education, 1982, Vol. 12, No. 2, p. 141.

the success of the Western industrial economics that makes UNESCO possible at all. For the U.S. and the Western nations to provide 65 percent of the budget of an international think tank bent apparently on the destruction of the free enterprise system is simply stupid. Even more, it is self-destructive.

What is to be done about UNESCO? To start, the American public should demand a congressional investigation of the promoters of NIEO at UNESCO and their extensive plans to saturate the governments of developing nations with anti-free market advice. And then, Americans should demand that all U.S. tax dollars supporting UNESCO's NIEO based education and social science programs be cut off. The United States should withhold its financial support of these programs until all vestiges of the anti-Western, NIEO policy and its social welfare state schemes are eliminated.

The U.S. should pursue this policy toward similar NIEO based programs in other UNESCO sectors--including Culture and Communication and Informatics--and should encourage its Western allies to follow suit. By so doing, the United States and the West will demonstrate that they are being more faithful to the UNESCO charter and dream than are M'Bow and his UNESCO secretariat.

Thomas G. Gulick
Policy Analyst

OFFICE MEMORANDUM

7.3
see 7.30 for
attachment

TO: Mr. Benjenk

DATE: July 9, 1982

FROM: Vincent J. Riley *VJR*SUBJECT: Unesco Views on Bank's Sub-Saharan Africa Report

1. Yesterday, I returned from participation in a meeting of UNDP Resident Representatives in Africa, held last week and this, in Lome, Togo.
2. One of the agenda items was "Relations With OAU and ECA". As might be expected, both OAU and ECA offered some negative views on the Bank's Sub-Saharan Africa Report, and a copy of the statement of the OAU Secretary General (actually read by Mr. P. Etiang, Assistant Secretary General) is attached. After both organizations had presented their comments, Resident Representatives and agencies commented. One comment, by Unesco, may be of particular interest.
3. The Unesco representative (Mr. I. Antoniades, Chief, Coordinating Unit) reported that in preparation for a conference on African Education held in Zimbabwe at the beginning of July, Unesco had prepared a paper on the Lagos Plan of Action. This paper made reference to the WB report, and he said, "Unesco had reached about the same conclusions as OAU".
4. Mr. Antoniades told me that the Secretary General had sent copies of the Unesco paper to the African Government Representatives accredited to Unesco in Paris.
5. At this point, I do not have the Unesco paper, but I am trying to get a copy.

Attachment

cc: Mrs. Boskey

VJRiley/eb



Washington Office

47.3
united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

May 14, 1982

Dear Mr. Riley:

Permit me to acknowledge receipt of your letter of May 12 which responds to the points raised by Mr. Najman about costs for technical assistant contracts and consultant services.

This information has been transmitted to Mr. Najman in Paris.

As soon as we have received a reaction from headquarters and the possibilities for a mission to discuss this matter further, we will be in touch with you.

Sincerely yours,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Herschelle S. Challenor
Senior Liaison Officer

Mr. Vincent J. Riley
Advisor
UNDP/UN Operational Activities
International Relations Department
The World Bank
1818 H Street, NW
Washington, D.C. 20433

ROUTING SLIP		DATE:
		May 24, 1982
NAME		ROOM NO.
Mr. Scearce		A1117
Mr. Haddad		F-302
Mr. ter Weele		C-402
Mr. Nottidge		E-539
Mr. Prosser		E-803
	APPROPRIATE DISPOSITION	NOTE AND RETURN
	APPROVAL	NOTE AND SEND ON
	CLEARANCE	PER OUR CONVERSATION
	COMMENT	PER YOUR REQUEST
	FOR ACTION	PREPARE REPLY
	INFORMATION	RECOMMENDATION
	INITIAL	SIGNATURE
	NOTE AND FILE	URGENT
REMARKS:		
<p>Please bring the attached to the attention of your staffs.</p>		
FROM:	ROOM NO.:	EXTENSION:
V. J. Riley	E-812	74455

ROUTING SLIP		DATE: May 24, 1982	
NAME		ROOM NO.	
Mr. Johanson		F-802	
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS:			
<p>Please bring the attached to the attention of your staffs.</p>			
FROM: V. J. Riley		ROOM NO.: E-812	EXTENSION: 74455

Lee
#7.3

May 12, 1982

Ms. Herschelle S. Challenor
Senior Liaison Officer
Unesco
918 16th Street, N.W.
Washington, D.C. 20006

Dear Ms. Challenor:

Mr. Chatenay has asked me to take up the points first mentioned in your letter of April 8, and in which you ask, in your April 28 letter, for a written response.

The basic principle followed by Bank staff when preparing or appraising a Bank loan project is that the costs of each project element should be estimated as realistically as possible. If, at the time of appraisal, it is known that the borrower will have a contract with Unesco to provide technical assistance services, and this is acceptable to the Bank^{1/}, the full estimated cost of Unesco's services should be sought; if the potential provider of services is not known, the estimates probably would be less precise, but should be sufficient to cover the costs associated with any contract likely to be made.

Turning to the specific points you mentioned, we offer the following observations:

- (a) There is nothing in Bank policy about using UNDP standard costs, and we would agree that those figures (being, in part, global averages) may not always be realistic, although the error could be on either the high or low side. Standard cost figures, of course, have the advantage of being readily available from the UNDP Resident Representative at the time of project appraisal. However, where it is likely that a particular agency will be asked

^{1/} See "Guidelines for the Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency" - 1981

Ms. Herschelle S. Challenor

- 3 -

May 12, 1982

could be enhanced by Unesco sending someone to Washington for consultation. If Unesco believes it desirable to do so, please let us know.

Sincerely yours,

Vincent J. Riley
Adviser, UNDP/UN Operational Activities
International Relations Department

Attachment

cleared with and cc: Messrs. Chatenay
Aklily
Lethem
Dickerson

VJRiley/eb

May 12, 1982

to provide the technical assistance services, and more realistic figures are readily available from that agency, those doing the appraisal normally would be expected to seek figures from that agency. Unesco's idea of using its "estimated actuals" for this purpose may be an appropriate response.

- (b) As you note, contingencies to allow for price escalation are a normal part of every project budget. Contingency allowances will vary, depending on the foreseeable cost trends for the project component involved. Of course, where the life of the project is longer than foreseen, there often is much more amiss than just the cost of the technical assistance component. Under these circumstances, it may be desirable to limit contracts to two years duration. The Bank's key concern is that the estimates in the appraisal be realistic. Provisions for contingencies are part of this. Establishing appropriate contingency provisions involves a judgment by the appraiser about what is "foreseeable", and this will always be somewhat subjective. But, at this point, we see no basis for substituting some other subjective contingency figures for those now being applied.
- (c) We agree with you that agency overhead costs should be included in cost estimates. Published Bank guidelines recognize such costs as an accepted element in agency contracts, and without question, they should be included in estimating costs.

A reminder of the points above is being given to those involved in the preparation and appraisal of education projects. In our judgement, however, the points raised in your letter do not reflect any fundamental disagreement on principles. Better understanding of the respective requirements of both our institutions may be required. Perhaps this

...../3.



Washington Office

united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

April 28, 1982

Dear Mr. Chatenay:

Further to our conversation concerning a possible Unesco mission to discuss experts and consultants salaries and benefits and your response, we have received a telex from our headquarters which now requests that the World Bank reply in writing to the proposals outlined in the letter sent to you. If after this correspondence a mission is still necessary, we are recommending such a visit to the Bank in June or July.

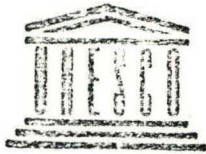
This decision was taken since it was our intention to undertake discussions with the Inter-American Development Bank and the World Bank during the same mission to Washington. However the IDB preferred to provide a written response first. Moreover, since the Unesco Executive Board will begin its session presently, it will be difficult for key personnel to be away from headquarters.

Attached for your convenience is a copy of our letter to you of April 8, 1982.

Sincerely yours,

Herschelle S. Challenor
Senior Liaison Officer

Mr. L. Peter Chatenay
External Relations Advisor
Room E 814
The World Bank
701 19th Street, N.W.
Washington, D.C.



Washington Office

united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

*file with all the other
correspondence.*

April 8, 1982

Dear Mr. Chatenay:

By way of continuing our dialogue with the World Bank, I have been asked by Mr. D. Najman, Assistant Director General for Cooperation for Development and External Relations, to advise you that Unesco would like to send a mission to discuss the ways and means of reaching a common understanding regarding standard costs for expert services financed from technical assistance components of their loans or credits.

Below I have listed the preliminary considerations on this matter set forth in Mr. Najman's letter.

"When Unesco is designated by a borrower Government as executing agency of a part of the whole of a technical assistance component of a project for which they have granted a loan or credit, it is sometimes found that the funds earmarked for this activity in the relevant loan or credit agreement signed between the bank and the Government, are insufficient to cover the Organization's implementation costs. This problem often stems from either, or all, of the following reasons:

- a) the cost estimates applied when the project was being formulated were inadequate (for example, based on standard costs provided by UNDP);
- b) although the banks foresee inflation and do provide funds to cover it, delays in commencement of project implementation resulted in even higher costs due to this phenomenon, where the life of the project has been longer than foreseen;
- c) agency overhead costs (at present 13% of expenditures) are not taken into account at the time of computation.

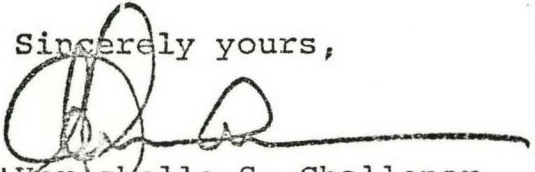
In an attempt to solve this problem, we would put it to the banks that standard UNDP costs are generally not applicable to bank-financed projects. Whereas that agency's Category II costs (see the elements of their Category I and Category II costs here-with in Appendix I) are normally pooled and evenly distributed among projects, as is indeed feasible when dealing with a large

number of experts financed by a single source, we do not consider it practical to apply that procedure to bank-financed projects which are separate entities, each including a relatively small number of experts and each being subject to individual accounting and reporting requirements. This naturally tends to result in greater cost variations compared with UNDP standards.

We therefore suggest that account be taken of the points raised above so that in the event that Unesco is requested by a borrower Government to provide technical assistance for projects financed by them, we may be better able to cover our costs which are based on estimated actuals for each country and on the hypothesis of an expert having three dependents. Our colleagues at the banks may consider either consulting us regarding our standard costs being compiled for individual countries and to be up-dated each quarter, or including in technical assistance budgets additional provisions in the contingency reserve which could adequately cover our expenses in cases where our services are requested."

I would like to contact your office about the receptivity to receiving a Unesco mission between mid-April and mid-May to discuss these matters.

Sincerely yours,



Herschelle S. Challenor
Senior Liaison Officer

Mr. Peter Chatenay
External Relations Advisor
The World Bank
Room E 823
Washington, D.C.

AVERAGE TOTAL COST OF EXPERTS

I. Intermediate and long-term experts

Cost Elements

Category I

Base salary
Post adjustment or mission allowance
Assignment allowance
Pension fund contribution
Staff insurance
Rent supplements
Rest and recuperation leave

Category II

Dependency allowance
Education grant and travel
Home leave travel
Appointment and repatriation travel
including interview travel/travel of
dependents
Installation allowance
Transportation of personal effects
Family visit travel
Consultation of annual leave
Termination indemnities
Repatriation grants
Ex-gratia payments
Refund on pension contribution
Revalidation of prior years' service for
pension purposes
Compensation payments
Death benefit
Income tax reimbursement
Medical subsidy

UNESCO

OFFICE MEMORANDUM

TO: Mr. Aklilu Habte, Director, EDC

DATE: April 9, 1982

FROM: L. Peter Chatenay, Acting Director, IRD

SUBJECT: Proposed Unesco visit on standard expert costs

1. Attached, copy of a letter from Unesco, dated April 8, proposing a visit to the Bank between mid-April and mid-May to discuss "ways and means of reaching a common understanding regarding standard costs for expert services financed from technical assistance components of loans and credits".

2. Would you please, at your best convenience, let me know what reply to make. I suggest that we should see them but you may wish to request perhaps more detailed information to help the Bank side prepare its position on these issues.

3. In connection with the problem of UNDP costs, Mr. Riley of this department would be pleased to advise. Because the issue which the Unesco letter raises is both a loan administration problem and a UN system relationship problem, IRD would be interested in being kept informed of the discussions to be held. Mr. Riley might participate, as appropriate.

4. We would also point out that Unesco seems to be pricing itself out of the market, to judge by Mr. Gilpin's memo of March 11, 1982 to Mats Hultin on Technical Assistance Recruitment for the Papua New Guinea Primary Education Project. While this may be a somewhat special instance, the comparison with Unesco's costs is impressive.

cc: Mr. Riley ✓

LPChatenay/sh



Washington Office

united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

April 8, 1982

Dear Mr. Chatenay:

By way of continuing our dialogue with the World Bank, I have been asked by Mr. D. Najman, Assistant Director General for Cooperation for Development and External Relations, to advise you that Unesco would like to send a mission to discuss the ways and means of reaching a common understanding regarding standard costs for expert services financed from technical assistance components of their loans or credits.

Below I have listed the preliminary considerations on this matter set forth in Mr. Najman's letter.

"When Unesco is designated by a borrower Government as executing agency of a part of the whole of a technical assistance component of a project for which they have granted a loan or credit, it is sometimes found that the funds earmarked for this activity in the relevant loan or credit agreement signed between the bank and the Government, are insufficient to cover the Organization's implementation costs. This problem often stems from either, or all, of the following reasons:

- a) the cost estimates applied when the project was being formulated were inadequate (for example, based on standard costs provided by UNDP);
- b) although the banks foresee inflation and do provide funds to cover it, delays in commencement of project implementation resulted in even higher costs due to this phenomenon, where the life of the project has been longer than foreseen;
- c) agency overhead costs (at present 13% of expenditures) are not taken into account at the time of computation.

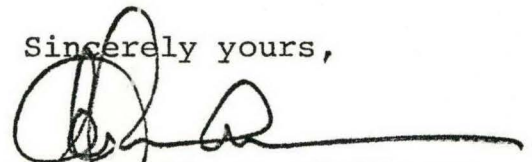
In an attempt to solve this problem, we would put it to the banks that standard UNDP costs are generally not applicable to bank-financed projects. Whereas that agency's Category II costs (see the elements of their Category I and Category II costs here-with in Appendix I) are normally pooled and evenly distributed among projects, as is indeed feasible when dealing with a large

number of experts financed by a single source, we do not consider it practical to apply that procedure to bank-financed projects which are separate entities, each including a relatively small number of experts and each being subject to individual accounting and reporting requirements. This naturally tends to result in greater cost variations compared with UNDP standards.

We therefore suggest that account be taken of the points raised above so that in the event that Unesco is requested by a borrower Government to provide technical assistance for projects financed by them, we may be better able to cover our costs which are based on estimated actuals for each country and on the hypothesis of an expert having three dependents. Our colleagues at the banks may consider either consulting us regarding our standard costs being compiled for individual countries and to be up-dated each quarter, or including in technical assistance budgets additional provisions in the contingency reserve which could adequately cover our expenses in cases where our services are requested!"

I would like to contact your office about the receptivity to receiving a Unesco mission between mid-April and mid-May to discuss these matters.

Sincerely yours,



Herschelle S. Challenor
Senior Liaison Officer

Mr. Peter Chatenay
External Relations Advisor
The World Bank
Room E 823
Washington, D.C.

OFFICE MEMORANDUM

TO: Mr. Mats Hultin, Senior Adviser, EDC

DATE: March 11, 1982

FROM: Clifford Gilpin, AEPED *CG*SUBJECT: Papua New Guinea - Primary Education Project
Technical Assistance Recruitment

1. In view of the increasingly high cost of Unesco technical assistance (now averaging about \$85,000 per man year) and consequent resistance in many countries to utilizing Bank or even IDA funds to finance technical assistance under agreements with Unesco, you expressed interest in the recent PNG experience in recruiting technical assistance for the Primary Education project.

2. In implementing the Primary Education Project, the PNG Department of Education elected to recruit technical assistance by advertising the positions in the international press and selecting applicants for each position individually. Twelve positions have recently been filled as follows:

<u>Position</u>	<u>Nationality</u>	<u>Contract Period (months)</u>	<u>Salary + Gratuity p.a. (US\$)</u>
Project manager	Australia	36	30,000
Low cost construction adviser	Australia	24	25,000
Measurement and exams expert	Australia	60	35,000
Regional planning adviser	Australia	48	32,000
Regional planning adviser	Australia	36	32,000
Regional planning adviser	Guyana	24	32,000
Staff devt. adviser, Teacher's Colleges	Sri Lanka	36	32,000
Textbook writer	U.K.	36	28,000
Textbook writer	Ireland	36	28,000
Lecturer in education planning	U.K.	48	30,000
Evaluation coordinator	U.S.A.	84	33,000
Resource center adviser	U.S.A.	24	30,000

3. This recruitment method is obviously much more time-consuming for the Borrower than entering into an agreement with Unesco or another agency. But it is not necessarily lengthier. In this case the elapsed time from first advertisement to arrival of the expert in post was 6-9 months (excluding two positions, including the Project Manager, filled by persons already on contract with the Department of Education). The average man year cost is \$30,000 plus travel and allowances which is substantially below the Unesco man year cost. In my view the qualifications and experience of the candidates recruited is at least equal to those of the typical Unesco expert. Most of the experts for the PNG project have other developing country experience. The nationality distribution is somewhat biased in favor of Australians, as might be expected, but not to an overwhelming extent.

cc: Messrs. Colan, ter Weele, Farner/Sjgurdsson

This is full of jargon.

Since it concerns how we ~~budget~~ ^{estimate the cost of} consultant/expert services in our loans it should be handled by AKLILU. But he should have ^{help from} some body who understands all the stuff about UNDP standard costs, Category I and Category II, overhead etc. Some body from my old division would be ideal.

~~This is an~~

The use of UN agencies to provide service under Bank loans is one I've been working on increasingly. My last trip to Geneva involved this specifically. In part it's a UN system relationship problem; in part it's a loan administration problem.

In the case of UNESCO, the incoming letter suggests a pretty considerable lack of understanding of the ~~bank~~ way the Bank works. Norman should know better. On the other hand, as you'll see from the attached note on Papua-New Guinea, UNESCO ^{is} simply ~~pricing~~ pricing itself out of the market. In preparing a loan, should we ~~budget~~ ^{make estimates} on the basis of UNESCO's cost (\$85,000 per ^{manager} ~~year~~) or on the basis of the open market (\$30,000 or so per year in the Papua New Guinea case)?

OFFICE MEMORANDUM

TO: Division Chiefs, AEP

DATE: March 16, 1982

4

UNESCO

7.3

FROM: A. Golan (Acting Director, AEP)
SUBJECT: Technical Assistance Recruitment

Attached you will find a memorandum from the Education Division describing the recruitment of individual experts for an education project in PNG. This system will undoubtedly result in lower cost, although there is a question of how effectively a group of individuals could work as a team.

The Education Division will closely follow the effectiveness of the Technical Assistance Program and report on it through normal supervision reports.

Attachment

Mem. ~~Harold~~ / Fisher

cc: Messrs. Blaxall, Wyss, Fox, M. Dickerson.

*for info.
the file
7A
GEN*

AGolan:ss

OFFICE MEMORANDUM

TO: Mr. Mats Hultin, Senior Adviser, EDC

DATE: March 11, 1982

FROM: Clifford Gilpin, AEPED *CG*

SUBJECT: Papua New Guinea - Primary Education Project
Technical Assistance Recruitment

1. In view of the increasingly high cost of Unesco technical assistance (now averaging about \$85,000 per man year) and consequent resistance in many countries to utilizing Bank or even IDA funds to finance technical assistance under agreements with Unesco, you expressed interest in the recent PNG experience in recruiting technical assistance for the Primary Education project.

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Regional planning adviser	Australia	48	32,000
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Regional planning adviser	Guyana	24	32,000
Staff devt. adviser, Teacher's Colleges	Sri Lanka	36	32,000
Textbook writer	U.K.	36	28,000
Textbook writer	Ireland	36	28,000
Lecturer in education planning	U.K.	48	30,000
Evaluation coordinator	U.S.A.	84	33,000
Resource center adviser	U.S.A.	24	30,000

3. This recruitment method is obviously much more time-consuming for the Borrower than entering into an agreement with Unesco or another agency. But it is not necessarily lengthier. In this case the elapsed time from first advertisement to arrival of the expert in post was 6-9 months (excluding two positions, including the Project Manager, filled by persons already on contract with the Department of Education). The average man year cost is \$30,000 plus travel and allowances which is substantially below the Unesco man year cost. In my view the qualifications and experience of the candidates recruited is at least equal to those of the typical Unesco expert. Most of the experts for the PNG project have other developing country experience. The nationality distribution is somewhat biased in favor of Australians, as might be expected, but not to an overwhelming extent.

cc: Messrs. Colan, ter Weele, Farnet/Sigurdsson

September 5, 1980

Mr. Andre Chakour
Comptroller
United Nations Educational Scientific
and Cultural Organization
7, Place de Fontenoy
Paris, 75700, France

Dear Mr. Chakour:

Please refer to your letter dated August 7, 1980 which as mentioned in your telex of September 1, 1980 crossed with ours of August 3, 1980. The following is intended to clarify the points mentioned in our letter in the light of the concerns you outlined.

Your example of payments fits the new disbursement procedure outlined in our earlier correspondence. The only possible exception is the December 31 invoice which we feel should be for an amount small enough to avoid the possibility of a refund in March of the following year. If total disbursements were higher than actual expenditures, our borrower would pay interest on the excess amount up to the refund date.

Also, the refund would result in account distortions in our new currency pooling procedures. These new accounting procedures will apply to all new Bank Loans. Under them, our borrowers share in a central disbursement account which reflects all currencies and amounts disbursed by the Bank less repayments by our borrowers. A refund would be credited to the proper loan account but within the central disbursement account it would have an effect similar to a repayment. Our disbursement procedures are therefore designed to avoid refunds whenever possible. While UNESCO may have to advance small amounts from its General Fund at the end of a project to avoid final accounting refunds, we feel that the quick payment advantage of our new disbursement procedure outweighs this problem.

We did not intend to create the impression that our borrower could unilaterally change the schedule of payments contained in your agreements. Any change is still a matter of agreement between the two parties to the contract. However, under our Loan Agreements, only the borrower has the right to draw funds from the Loan Account; therefore any change to the schedule of payments must be communicated to us by the borrower and we presume that such changes would be based on UNESCO's agreement.

With respect to billing disputes we also must assume that any problems would be settled before the submission of the next quarterly invoice. The principle involved is the borrower's exclusive right to draw funds from the Loan Account for eligible expenditures. The blanket withdrawal application procedure is designed to ensure that payments to UNESCO are made promptly but do not infringe on the borrower's sole right of withdrawal.

We would support language in your contracts designed to protect UNESCO from unwarranted actions by the borrower. However, since we are not a party to such contracts we must view the disbursement arrangements as a separate matter based upon our Loan Agreements.

We are confident that these objectives can be achieved and that the proposed disbursement arrangements will resolve the payment delay problems experienced with earlier procedures.

Sincerely yours,

Victor Chang
Deputy Controller

cc: Mr. Hattori o/r
Section Chiefs, Disb. Div.
Mr. J. Gregor/Mr. Prudence
Mr. V. Riley ~~o/r~~, Mr. D. Goldberg-LEG N743

File 21.00 & 9.19

FHMAYER/sk

TELEX
204461 PARIS

SEPTEMBER 5, 1980
61119

UNESCO

PARIS, FRANCE

FOR ANDRE CHAKOUR REURLET BOC 75/12 AUGUST 7 AND TELEX 36677
SEPTEMBER 1. EYE CONFIRMS DISBURSEMENT PROCEDURE OUTLINED URLET
ESSENTIALLY MEETS CRITERIA OF OUR NEW DISBURSEMENT PROCEDURE.
LETTER FOLLOWS REGARDING ALTERATIONS NOTIFIED TO US BY BORROWERS
AND FINAL ACCOUNTING. REGARDS VICTOR CHANG DEPUTY CONTROLLER.
INTOAFRAD.

File 21.00 & 9.19

cc: Messrs. N. Hattori o/r
D. Goldberg-LAC #745
V. Riley-IRD #802
J. Gregor/P. Prudence

FURAYER/sk

John Gregor
Controller's

1 welcome
2) A Handbook Series 100
3) system
Sandre memory

Xerox + Cinalite
1st in file

7-3

July 24, 1980

Mr. Andre Chakour
Comptroller
United Nations Educational Scientific
and Cultural Organization
7, Place de Fontenoy
Paris, 75700, France

Dear Mr. Chakour:

I have the pleasure to refer to your letter to me of April 18, 1980, relating to projects for which UNESCO provides technical assistance financed under International Bank for Reconstruction and Development (IBRD) Loans and/or International Development Association (IDA) Credits and to inform you that the ideas contained therein are acceptable to us. As discussed with you in June, our delay in responding to your letter resulted from a need to design a new disbursement procedure to handle payments due UNESCO and certain other organization for their work on projects financed by the World Bank.

On the basis of appropriate language in each agreement between you and our borrower, we will accept the submission by our borrower of a "Blanket Withdrawal Application" (sample enclosed) covering the total amount of estimated IBRD/IDA disbursements for the costs of your services to the project in accordance with an approved Schedule of Payments attached to each agreement. We will notify you upon receipt and approval of the application, and give you the appropriate references to be included on your invoices. Thereafter, upon receipt of your invoices (to be copied to the Borrower) IBRD/IDA would pay the amounts due. We consider that quarterly invoicing would be appropriated and that the initial payments should be invoiced on the basis of the Schedule of Payments. Subsequent invoices should indicate the amount of the next scheduled payment as adjusted by previous payments and statements of actual expenditures incurred.

The following is an example of the language, which, if included in agreements between you and our borrowers would permit us to follow the proposed reimbursement procedure.

"The Government will, promptly upon signature of the Agreement, submit to the World Bank a Blanket Withdrawal Application for the total estimated costs of the Agreement to be financed by them in accordance with the terms of the Loan [Credit] Agreement between IBRD [IDA] and the Government for this project. The Government agrees that payments will be made directly to UNESCO in accordance with invoices (copied to the Government) submitted by UNESCO to the World Bank in accordance with the terms of payment and Schedule of Payments attached to, and forming part of, the Agreement. The amounts invoiced will be based upon advances as indicated in the Schedule of



united nations educational, scientific and cultural organization
 organisation des nations unies pour l'éducation, la science et la culture

7, place de Fontenoy, 75700 Paris

téléphone : 577-16-10
 câbles : Unesco Paris
 télex : 204461 Paris

référence : BOC 75/12

*Mr. Mitchell,
 I gave a cc: of this
 to Mr. Pereira & Mr. Mangu
 (O/R).*

7 August 1980

E 8/18.

Dear Mr. Hattori,

Thank you for your letter dated 24 July 1980 on the subject of technical assistance projects executed by Unesco on behalf of Member States financed by World Bank loans. It appears that your letter crossed with mine dated 21 July 1980, but in order to expedite the conclusion of arrangements I have decided to let you have my comments on your letter herein.

The type of arrangement proposed for future agreements in your letter is along the lines requested during my meeting with you in Washington. Nevertheless, I have some reserves regarding the language proposed in your letter which I shall attempt to explain.

My primary concern is naturally the procedure for advances and payments. In the example which follows I have attempted to analyse what would happen in a particular arrangement with a concrete schedule of payments and series of invoices:

<u>Schedule of Payments</u>	
	\$
Initial payment 1 January 1981	30,000
31 March 1981	60,000
30 June 1981	60,000
30 September 1981	60,000
31 December 1981	20,000
31 March 1982	-
<u>Actual expenditure cumulative</u>	
At 31 March 1981	20,000
At 30 June 1981	90,000
At 30 September 1981	150,000
At 31 December 1981	210,000
At 31 March 1982	230,000

Mr. Masaya HATTORI,
 Comptroller,
 The World Bank,
 1818 H Street, N.W.,
 WASHINGTON D.C. 20433

.../...

(U.S.A.)

"Initial payments should be invoiced on the basis of the Schedule of Payments". I understand this to mean that two invoices of \$30,000 and \$60,000 would be sent dated 1 January and 31 March. Subsequently "the amounts invoiced will be based upon advances as indicated in the Schedule of Payments and will be modified by the amount of expenditure incurred with respect to all previous advances except the most recent advance". I understand this to mean that the invoice dated 30 June will amount to \$50,000, at 30 September \$60,000 and at 31 December 1981 \$30,000. The detailed calculations of the invoices are shown on the annex attached. Invoices will be sent before the close of each quarter to allow the World Bank to pay by the first day of the following quarter. In this way Unesco will not have to advance from its General Fund the amounts required to finance project expenditure between the invoicing date and the date of reimbursement. If I have misunderstood your proposal, please explain the methodology that you foresee for invoicing in the context of the example taken.

A further concern is the intimation from the language proposed in your letter that Governments may unilaterally dispute invoices from Unesco and request the World Bank to deduct any disputed amount from future claims without Unesco's agreement. In our experience, Governments frequently query billings on invoices but it is rare that Unesco is subsequently required to make adjustments. To get around this problem, the wording of our agreement should be slightly altered so that the relevant sentence proposed would end with the words "with Unesco's agreement". Naturally we always find agreement with Governments where valid errors have been made.

Likewise, you provide that the Government should reserve the right to change the schedule of payments and to terminate the payment arrangement by notice to the World Bank, without providing for the need for concurrence on this between Unesco and the Government. We accept that at any time during the life of the agreement the Government and Unesco may decide by common consent to vary the schedule of payments in relation to changes in the implementation of the project. However, we cannot accept that the Government may unilaterally revoke its obligations or terminate a project without orderly settlement of accounts and full indemnification to Unesco for liabilities which it has in respect of experts' contracts, etc. We would therefore build some suitable wording into our agreements to retain this concept, presumably by cross reference to the clauses governing such eventualities.

The foregoing comments having been expressed, I am confident that we have found a solution to our common problems in the interests of maintaining Unesco's ability to render technical assistance requested from its Member States. I thank you once again for your interest in these questions and I look forward to hearing from you at your earliest convenience.

Yours sincerely,



André Chakour
Comptroller

ANNEX

<u>Invoice 30 June</u>	\$	\$
Amount foreseen in schedule of payments		60 000
Adjustment		
Expenditure incurred to 31 March	20 000	
Less: Advance received for equivalent period	<u>30 000</u>	<u>(10 000)</u>
Amount due to Unesco		<u>50 000</u>

<u>Invoice 30 September</u>		
Amount foreseen in schedule of payments		60 000
Adjustment		
Expenditure incurred to 30 June	90 000	
Less: Advances received for equivalent period (30 000 on 1 January, 60 000 on 31 March)	<u>90 000</u>	<u>-</u>
Amount due to Unesco		<u>60 000</u>

<u>Invoice 31 December</u>		
Amount foreseen in schedule of payments		20 000
Adjustment		
Expenditure incurred to 30 September	150 000	
Less: Advances received for equivalent period (30 000 on 1 January, 60 000 on 31 March and 50 000 against our invoice 30 June)	<u>140 000</u>	<u>10 000</u>
Amount due to Unesco		<u>30 000</u>

<u>Invoice 31 March (following year)</u>		
Advances received		230 000
Less: Actual expenditure incurred		<u>230 000</u>
		<u>-</u>

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/ GRN0066 NALO340 RFLO058

DD IBF

.PARIS (UNDP/UNESCO) 01 1800

36677 FOR HATTORI AND CHANG REYOUR LETTER 8 AUGUST 1980 CROSSING
MY LETTER OF SAME DATE I THINK DISBURSEMENT PROCEDURE OUTLINED
MY LETTER MEETS CRITERIA FOURTH PARAGRAPH YOUR LETTER. PLEASE
CONFIRM. WOULD APPRECIATE YOUR COMMENTS URGENTLY ON ALTERATIONS
REQUESTED BY BORROWERS DURING COURSE PROJECT EXECUTION QUERIED
IN MY LETTER 8 AUGUST. REGARDS. (UNESCO/COMPTROLLER)

COL 36677 8 1980 8

;09011558

Distribution

SS

Mr. Hattori

Mr. Chang

Mr. Mitchell-Cont.

1980 SEP -1 PM 1:36
COMMUNICATIONS DIVISION

7.3 UNESCO-0
7.10 ILO
4.10 COST-SK-117

August 8, 1980

Mr. Andre Chakour
Comptroller
United Nations Educational Scientific
and Cultural Organization
7 Place de Fontenoy
Paris, 75700, France

Dear Mr. Chakour:

We refer to your letter dated July 21, 1980 and ours of July 23, 1980 which crossed in the mail. 24

The revised procedures enclosed with your letter seem similar in some respects to the language of our new disbursement procedure as outlined in our letter. However, we note that while the Bank provides project financing it does not become a party to the contracts between its borrowers and their suppliers of goods and services. We therefore suggest that your revised model text limit references to the Bank to the payment procedure that the borrower agrees to utilize with respect to the contract.

The procedures to be used to withdraw funds from a loan account are selected by our borrower who retains rights and obligations consistent with the terms of each contract. Our suggested language explicitly provides for this by ensuring that any changes to payment arrangements or amounts are communicated to us by the borrower.

To the extent practicable we have suggested that withdrawals made from the loan account under this new procedure be made for actual expenditures incurred plus an amount necessary to provide UNESCO with the funds required for the immediate future. We do not feel it appropriate that funds would be held by UNESCO in excess of actual expenditures to the extent that a refund would be made to the borrower or us on completion of the project. Therefore, we propose that the final withdrawal be based on actual total expenditures and that the last scheduled payment made before project completion be for an amount low enough to ensure that a refund will not be necessary.

We would appreciate it if you would provide us with a copy of the next revision to the model text of your agreements.

FHMAYER/csg

Sincerely yours,

cc: Messrs: Hattori(CTR-I4-190); D. Goldberg(LEG-N743); Riley(IRD-N802); Mitchell & Prudence. Disbursement Division Section Chiefs

FILE: 21.00 & 9.19

Victor C. Chang
Deputy Controller

Payments and will be modified by the amount of actual expenditures incurred with respect to all previous advances except the most recent advance. In the event that actual disbursements vary substantially from amounts estimated, the Schedule of Payments may be amended from time to time by mutual agreement and notice to the World Bank. Payments may be made by the World Bank without prejudice to the right of the government to dispute any amount claimed by UNESCO and the government will promptly notify the World Bank of any amount subject to dispute and to be deducted from future claims. The government reserves the right to advise the World Bank of any changes to the Schedule of Payments and to terminate this payment arrangement by notice to the World Bank. In the event that Article _____ of the Agreement is invoked, the Government may in writing instruct the World Bank to change or cancel the amounts to be paid in accordance with the Schedule of Payments."

If you have any further questions regarding this new procedure please do not hesitate to write to me.

Sincerely yours,

Masaya Hattori
Controller

cleared W/ & cc: Messrs Hattori - CTR I 4-100

cc: Mr. D. Goldberg LEG N 743
Section Chiefs, Disb. Div.
Mr. Prudence/File 21.00,
Mr. V.Riley P721

FHMAYER/sk

Date: _____
Loan/Credit No. _____
Application Serial No. _____

To: The World Bank
1818 H Street, N.W.
Washington, D.C. 20433

Attention: Disbursements Division

Pursuant to the Loan (Development Credit) Agreement for the _____
_____ Project dated _____ between the
International Bank for Reconstruction and Development (International Development
Association) and the undersigned _____, the undersigned
hereby certifies and agrees as follows:

1. The undersigned hereby applies for the periodic disbursement from the Account opened under the terms of the above mentioned Agreement, of a sum not exceeding _____ for the period commencing on or about _____ to _____.
2. This sum is required to pay the International Labour Office (ILO) for technical assistance services eligible for financing under the terms of the above mentioned Agreement.
3. Periodic disbursements will be made without prejudice to the right of the undersigned to dispute any amount claimed by the ILO and the undersigned will promptly notify the World Bank of any amount to be deducted from future payments. The undersigned reserves the right to terminate this arrangement by notice to the World Bank with respect to payments not yet made.
4. At the date of this application there is no existing default under the said Loan (Development Credit) Agreement; and, to the best of the undersigned's knowledge and belief, of the Guarantor under the Guarantee Agreement (if any) referred to therein.

Please make payment from the Loan (Credit) Account on receipt of invoices from the ILO submitted in accordance with the schedule of payments contained in the attached copy of the agreement between the undersigned and the ILO which forms an integral part of this application.

(Name of Borrower)

By: _____
(Authorized Representative)



united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

7, place de Fontenoy, 75700 Paris

téléphone : 577-16-10
cables : Unesco Paris
téléc : 204461 Paris

référence : EOC 75/12

13.0 MAY -1 PM 1:57

SECRETARY GENERAL

18 April 1980

Subject : Technical Assistance Projects Executed
by Unesco on behalf of Member States -
Financed by World Bank Loans

Dear Mr. Hattori,

Since 1971 Unesco has been executing technical assistance projects financed from World Bank loans at the request of its Member States. The programme expenditure has grown substantially from that first year of operations to \$ 4,662,225 in 1978, and the outstanding financial commitments have become correspondingly more important.

Many years ago we worked out a financial arrangement with the World Bank which foresaw for each project the possibility of an advance equivalent to the expected expenditure for a period of six months, followed by regular reimbursements based on quarterly invoices. In practice, this system works well when Member States approve and forward quarterly invoices promptly to the World Bank for payment. However, there has been a large number of projects where governments have seriously delayed the processing of invoices and, in some instances, have failed to take any action on invoices for many years.

The difficulties mentioned in the previous paragraph have arisen principally in the following Member States where we have projects with serious cash deficits:

Central African Republic
Dominican Republic
Ecuador
Iran
Tunisia

These deficits are not acceptable in terms of our Financial Regulations and are incompatible with the operating methods of an Organization such as ours, which has no reserves to absorb any default in payment on trust fund projects.

We consider, therefore, that it is now opportune to propose a new method of financing projects executed on behalf of Member States, financed by World Bank loans. We would like you to give serious thought to renegotiation of the financial terms of our agreement with you, in order to ensure at all times a cash flow sufficient to cover budgeted expenditure in

Mr. Masaya HATTORI,
Comptroller,
The World Bank,
1818 H Street, N.W.,
WASHINGTON D.C. 20433

.../...

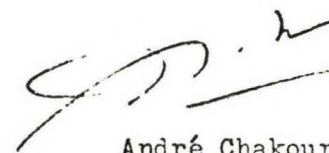
(U.S.A.)

approved agreements. The procedure which appears most interesting to us would be that governments should, on signature of agreements, submit to the World Bank a withdrawal application for the total estimated costs of the project to be financed by the Bank in accordance with the terms of the loan agreement. The government would agree that payments could be made directly to Unesco by the World Bank in accordance with an approved schedule of payments (attached to each agreement) upon submission of invoices by Unesco to the World Bank with copies to the government. Any adjustments against individual items of expenditure could be met in subsequent invoices. The schedule of payments could be amended during the life of the project by mutual agreement between Unesco and the government should expenditure vary significantly from that estimated.

I shall be in Washington from 2 to 14 June for the Board Meeting of the United Nations Joint Staff Pension Fund which will be held at the WHO Regional Office and should very much like to meet you to discuss this proposal. May I suggest that I call you on my arrival in order to arrange a meeting with you or eventually with a person designated by you.

I look forward to hearing from you in the near future and hope to have the pleasure of seeing you in Washington.

Yours sincerely,



André Chakour
Comptroller



united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

7, place de Fontenoy, 75700 Paris

téléphone : 577-16-10
câbles : Unesco Paris
téléc : 204461 Paris

référence : BOC 75/12

Mr. Chang

15.0 JUL 29 AM 9:37

RECEIVING MAIL UNIT

21 July 1980

Subject : Technical Assistance Projects executed by Unesco
on behalf of Member States - financed by World
Bank loans

Dear Mr. Hattori,

I wish to thank you very much indeed for your kindness in receiving me at such short notice during my recent mission to Washington. The discussions which we had were most positive in my opinion and I also wish to thank Mr. Jones and Mr. Mayer for their helpful suggestions and their understanding of Unesco's problems.

In accordance with your advice, I have prepared revised procedures regarding the financial arrangements in connection with technical assistance projects financed by World Bank loans. These procedures, which will in future be proposed to Governments that request our co-operation, will foresee that on signature of agreements with those Governments, they will submit to the World Bank a withdrawal application for the total estimated costs of the project. The Government will also agree that payments may be made directly to Unesco by the World Bank in accordance with an approved schedule of payments attached to each agreement, upon submission of invoices by Unesco to the World Bank with copies to the Government.

... I attach for your information a model text of an agreement embodying the above-mentioned revised financial procedures and should be grateful for any comments you have to make on it. As I should like this new form of agreement to be proposed to the next Government that requests our co-operation, I would be very grateful indeed if you could let me have your endorsement of our proposal in the near future.

With my thanks again for your understanding and assistance and with best wishes,

Yours sincerely,

André Chakour
Comptroller

Mr. Masaya HATTORI,
Comptroller,
The World Bank,
1818 H Street, N.W.,
WASHINGTON D.C. 20433

A G R E E M E N T

between

UNITED NATIONS EDUCATIONAL,
SCIENTIFIC AND CULTURAL
ORGANIZATION
(hereinafter called "Unesco")

THE GOVERNMENT OF
and
(hereinafter called "the Government")

for the implementation of a Technical Assistance Project financed

by the WORLD BANK
(hereinafter called "the Bank")

under Credit/Loan

WHEREAS the Government has entered into a Loan/Credit Agreement No.
for the purpose of

WHEREAS the Government has requested Unesco to implement certain activities
(hereinafter referred to as "the project") included in the Loan/Credit
Agreement which fall within the competence of Unesco;

CONSIDERING that Unesco has agreed to carry out the activities of the project;

THEREFORE the Government and Unesco hereby agree that:

ARTICLE I

In the implementation of the project, Unesco shall provide the Government with
the services described in Appendix I to this Agreement, it being understood
that the actual extent and duration of these services will be determined with
reference to the estimated budget of
United States Dollars shown in Appendix II to this Agreement.

ARTICLE II

- 2.1 The services referred to above shall be provided in accordance with
Unesco's regulations, rules and procedures and subject to such
reasonable limits as may be imposed by circumstances beyond Unesco's
control.
- 2.2 The parties to this Agreement accept the terms and conditions of the
General Provisions attached hereto with the same force and effect as
if they were fully set forth herein.

ARTICLE III

- 3.1 The entire cost of the project is estimated at
United States Dollars including Overhead Costs to defray those
expenses (incurred by Unesco) for planning, supervision, servicing
and administering the project which cannot by their nature, be
readily, clearly or directly charged to the project budget.
- 3.2 The Government will, promptly on signature of the Agreement, submit
to the Bank a Withdrawal Application (with copy to Unesco) for
the total estimated costs of the Agreement to be financed by the
Bank in accordance with the terms of the Loan/Credit Agreement
between the Bank and the Government for this project. The
Government agrees that payments will be made directly by the

Bank to Unesco in accordance with the Schedule of Payments attached (Appendix III) hereto and forming part of the Agreement, upon submission of Statements of Expenditure by Unesco to the Bank, with copies to the Government. In the event that actual disbursements vary substantially from the amount estimated, the Schedule of Payments may be amended from time to time by mutual agreement. All payments will be made into Unesco's account No. 949-1-191558 with the Chase Manhattan Bank, 1 New York Plaza, New York, N.Y. 10017, U.S.A.

- 3.3 The implementation of the project will commence only on receipt of the initial deposit in accordance with the Schedule of Payments attached.

ARTICLE IV

- 4.1 Unesco shall record all expenditure made in connection with the project in a separate account. As these accounts are maintained in United States Dollars, receipts and payments in respect of the project in currencies other than United States Dollars shall be brought to account applying the United Nations operational rate of exchange prevailing on the day of the related transactions.
- 4.2 The Government or the Bank may ask for clarification on any item of expenditure reported in any of Unesco's statements of expenditure. Adjustments which may be necessary shall be made in subsequent statements of expenditure.
- 4.3 On completion of the project and liquidation of all commitments, Unesco shall send a Final Statement of Account to the Government and to the Bank. To the extent that the actual total expenditure incurred by Unesco is in excess of the estimated budget shown in Article I the Government accepts to reimburse such over expenditure to Unesco. In the event that the funds held by Unesco exceed the actual expenditure Unesco shall refund the unspent balance to the Government.
- 4.4 Unesco shall only make commitments to the extent of the funds available. In the event that Unesco does not receive the payments as scheduled, it shall so inform the Government and the Bank in writing and immediately refrain from making any financial obligations or commitments.

ARTICLE V

- 5.1 The Agreement shall enter into force upon signature and may be modified by agreement between Unesco and the Government.
- 5.2 The Agreement may be terminated by Unesco or by the Government upon written notice by either party to all parties and shall terminate sixty days after receipt of such notice.
- 5.3 The obligations assumed by Unesco and the Government under this Agreement shall survive the termination of this Agreement to the extent necessary to permit the orderly withdrawal of personnel, funds and property of Unesco and the settlement of accounts between the parties hereto.

In witness whereof, this Agreement has been signed in four copies in English.

Signed on behalf of the United
Nations Educational, Scientific
and Cultural Organization

Signed of behalf of the
Government of

Date:

Date:

GENERAL PROVISIONS

01 Supporting Administrative Services

The Government shall undertake to provide, as necessary and appropriate, the supporting administrative services such as secretarial and other personnel services, office space, office equipment and supplies produced locally, transportation within the country, communications, medical expenses and facilities, the cost of which shall be borne by the Government and is not included in the sum referred to in Article I of the Agreement.

02 Indemnification of Claims

The Government shall be responsible at Unesco's request for dealing with any claims which may be brought by third parties against Unesco, its property, its personnel, or other persons performing services under the Agreement, and shall hold Unesco, its property, personnel and such persons harmless in case of any claims or liabilities resulting from operations under the Agreement, except where it is agreed by Unesco and the Government that such claims or liabilities arise from the gross negligence or wilful misconduct of such personnel or persons.

03 Unesco Privileges and Immunities

In all matters connected with the assistance provided under the Agreement the Government shall apply to Unesco, its property, officials and any person designated by Unesco to perform services under the Agreement the provisions of the Convention on the Privileges and Immunities of the Specialized Agencies and of the Annex IV thereof, relating to Unesco.

04 If under the terms of the Agreement Unesco is responsible for:

04.1 Recruitment of Experts

Unesco shall recruit experts with the agreement of the Government and make the necessary arrangements for the payment of:

- their transportation and subsistence costs to the duty station as well as those of any dependents who may be authorized to join them, and their subsequent repatriation, as well as any other expenses in accordance with Unesco's Staff Regulations and Staff Rules, in connection with home leave, family visit, rest and recuperation leave, medical evacuation and education grant travel;
- their salaries, allowances and grants, including insurance premiums, the cost of participation in the Unesco Medical Benefits Fund, Terminal Benefits Fund and the UN Joint Staff Pension Fund, indemnities and payments made by Unesco under Staff Compensation Plan in accordance with the Staff Regulations and Staff Rules and Financial Regulations as well as ex-gratia payments when the Director-General deems it necessary;
- the per diem subsistence allowances due to them on official travel approved by the Government.

The Government undertakes to reimburse Unesco any expenses that may be incurred by Unesco under the terms of its Staff Compensation Plan, as the result of the death, injury, or illness of an expert that

is attributable to the performance of official duties to the extent that such expenses are not covered by the insurance policy contracted for this purpose by Unesco, as well as all other indemnities and payments made in accordance with the Financial Regulations and Staff Regulations and Staff Rules of Unesco.

04.2 Engagement of Consultants

Unesco shall engage consultants with the agreement of the Government and make the necessary arrangements for the payment of:

- their travel expenses to and from the duty station and their subsistence allowances for the period spent away from their normal residence during the tenure of the contract;
- insurance premiums;
- the remuneration due to them according to the terms of each contract.

TERMS OF REFERENCE

ESTIMATED BUDGET

COMPONENT	TOTAL	19....	19....	19....	19....
11 <u>Expert Services</u>					
11.01 Experts 02 etc.					
11.40 Consultants 41 etc.					
13 <u>Local Staff</u>					
45 <u>Equipment</u>					
53 <u>Miscellaneous</u> including Terminal Report					
Agency Overhead Costs					

SCHEDULE OF PAYMENTS

to be made by Bank to Unesco for Technical
Assistance Project under Loan/Credit No.

US\$

1. Initial Deposit to be paid by the Bank
on receipt of the Withdrawal Application
according to Article 3.2 of the Agreement
 2. Date of first Statement of Expenditure
 3. Date of second Statement of Expenditure
- etc.

~~with letter~~
② file together
with incoming
from UNESCO
7.3

CPX/ECE/P.906/1/79/507

December 18, 1979

Mr. Dragoljub Najman
Assistant Director-General
for Co-operation for Development
and External Relations
United Nations Educational, Scientific
and Cultural Organization
7, place de Fontenoy
75700 Paris, France

Dear Mr. Najman:

I am replying to your letter of November 9, concerning the proposed "guide" on World Bank technical assistance for education which is to be made available to Unesco member states.

We appreciate the opportunity to review the draft, and I hope the comments attached to this letter will prove helpful. We have felt at liberty to comment most extensively on Sections I and II since these deal with Bank practice and provisions of Bank loans/credits. It does seem to us odd that a document describing Bank procedures and practices should be issued by another agency, especially where the intended recipients are comprised almost exclusively of governments which are also members of the Bank. Moreover, most of the information Sections I and II are designed to provide is already available in Bank publications to which governments (and obviously the drafters of the "guide" as well) have access. However, if you feel, as presumably you do, that the "guide" will serve a useful purpose, we have no basis for objection. We would ask only that particular consideration be given to the comments directed to the paragraphs in Sections I and II. As you suggested, we have confined our observations to substance, and have made no editorial corrections.

You will find enclosed most of the documents you asked for. Not all are available in French and Spanish. We have added the most recent edition of the Bank's Catalog of Publications and a list of relevant documents put together by the Bank's Education Department.

...../2.

Mr. Dragoljub Najman

- 2 -

December 18, 1979

Thank you for offering to make copies of the "guide" available to the Bank. A small supply will suffice - say 30 copies in English, 10 in French and 10 in Spanish.

Sincerely,

Shirley Boskey
Director
International Relations Department

Attachment

cc: Mr. Loewen ✓

cc Merris Habte/Hultin/Lewis, EDC

SEBoskey/eb

WORLD BANK COMMENTS ON UNESCO DRAFT

"THE WORLD BANK'S TECHNICAL ASSISTANCE FOR EDUCATIONAL PROJECTS"

Title. The title of the "guide" might better refer to World Bank technical assistance for "education" rather than for "educational projects," since assistance may be provided for the education component of e.g., a rural development or urban project.

Foreword. The reference to "this programme in Unesco," in juxtaposition to the reference to Bank technical assistance for education projects, is confusing. We assume that the "programme" referred to is the Unesco/Bank Cooperative Program, but the Bank provides technical assistance outside, as well as within, the scope of the CP. If it is thought desirable to include reference to the CP figures (and we would question whether the word "revenue" is appropriate since in English it carries the connotation of income rather than out-go), these might better appear, we suggest, in para. 10.

Para. 1. Each of the years 1944, 1945 and 1946 may be cited with some justification as the year in which the Bank was established: its Articles were submitted to governments in 1944, the Articles were accepted by the requisite number of governments in 1945, and the Bank opened for business in 1946. So while it is not incorrect to say that the Bank was created in 1945, for purposes of the "guide," 1946 might be a more appropriate reference point.

Para. 4. IFC makes equity investments, as well as loans.

Para. 5. Bank loans are not made "at" the rate at which the Bank borrows. Its policy has varied: interest has sometimes been slightly above the estimated cost of borrowing, sometimes below. It is correct to say, as the paragraph does, that the rate is lower than the borrowing countries would have to pay if they, the members, went to the market.

Para. 6. IDA has also been the recipient of loans, the form taken by Switzerland's contributions to its resources.

Para. 9. The reference here to "programme" is confusing. Moreover, while it is true that until the early 1970s most Bank lending went to general secondary education with strong support for technical, vocational and agricultural training, lending for primary education and universities was not entirely "excluded" in the early years of Bank activities in the education sector. Primary teacher training institutions and universities have featured in our lending programs since FY64.

As for the reference to "consistent prodding" by Unesco, Unesco views were clearly a contributory factor to the broadening of Bank lending for education but there were others. We would suggest substituting something like "Unesco was influential in the Bank's decision gradually to broaden the scope of its lending to," etc., etc.

Para. 10. Similarly, it is not entirely accurate to attribute Bank lending for education solely to Unesco's powers of persuasion.

Paras. 12-19. The type of project and report structure listed to illustrate Unesco's role in the allocation of Cooperative Program functions under the original agreement signed in 1964 is largely outdated. The present sequence of missions, reporting, etc. now generally followed in the development of the Bank's projects is outlined in the attached education project cycle chart.

Para. 21. We would suggest reference to the "loan/credit agreement," rather than to the "loan agreement." The purpose of supervision missions is not just to check on the progress of implementation and ensure compliance with loan/credit conditions but also--and principally--to assist borrowers in identifying, anticipating and solving problems as a cooperative exercise. Supervision missions are timed, as far as possible, to coincide with critical events--such as the completion of building plans, equipment lists, bid analyses, education studies, etc.--to permit review, discussion and any necessary clearance of material in the field. Intervals between missions may, therefore, vary anywhere between 3 and 12 months though they may average about 6-7 months.

While a borrower government will generally have to arrange payment of construction costs from its own resources before claiming reimbursement of the Bank/IDA share of such costs against evidence of payment (Withdrawal Procedure I), it will not always have to do so for other types of expenditure. The Bank/IDA may agree to make payment direct to a supplier on a borrower's behalf against certification that the works have been performed or the goods supplied (Procedure III). It may also agree to reimburse a commercial bank for payments made by it under a letter of credit opened by a borrower in favor of a supplier (Procedures V and VI).

It may also be worth noting that the Bank maintains its active involvement with the implementation of projects after loan/credit signing not only because of its concern as a lender in the prompt servicing of its loans but also because of its interest as a development agency in seeing that the objectives of projects are carried out.

Para. 23. Responsibility for managing the execution of Bank-assisted education projects is not always entrusted to Project Units. In fact, it is the policy that wherever a permanent established department within the ministry or university concerned is properly organized and capable of undertaking project management responsibilities, these should be assigned to it. Only where neither such a department nor a management unit established for an earlier Bank/IDA education project is suitable should the formation of a new Project Unit be considered--and, where this is unavoidable, the unit should be developed so that it will become in time a permanent department.

Para. 24. Loans and credits for early education projects sometimes included financial provisions to help borrowers employ project management staff of the calibre considered necessary--but not invariably--and such provisions are sometimes still included in Bank loans/credits.

Para. 25. From FY63 to FY69, lending for technical assistance amounted to 10.7% of total lending for education and during the last financial year (FY79), the share of lending for technical assistance was 14.2%. As indicated by the Education Sector Policy Paper of September, 1979 (Unesco has a copy), the Bank expects to increase its support for software components during the next five years.

Para. 26. While Bank borrowers are responsible for selecting the specialists to be employed by them under the technical assistance provisions of loans/credits--as similarly, any architectural or other firms to be engaged as consultants--the Bank does review the particulars of specialists or firms under consideration by borrowers, in order to satisfy itself that they are qualified to carry out the tasks required of them. It also reviews the terms of reference for their services and the draft contracts negotiated with them by borrowers, before the contracts are signed.

Para. 35. The reference to exploration for oil as a field in which the Bank is not involved is no longer accurate, in view of the Bank's announced energy program.

Para. 36. By the end of FY79, during which 18 new loans and credits for \$496 million were awarded for education projects, total Bank/IDA assistance to educational development had amounted to over \$2.7 billion for 192 projects in 82 countries. This represented about 52% of the total costs of the projects concerned and was equivalent to almost 4.0% of total Bank Group lending in all sectors (\$68.4 billion). During recent years, lending for education has accounted for over 4% of total lending and, over the next five years, the share is expected to rise to

over 5%. In the five-year period, FY70-74, the Bank/IDA lent over three times as much for education (almost \$815 million) as it did in the preceding seven years, from FY63-69 (about \$244 million), and in the last five-year period, FY75-79, it lent over twice as much (almost \$1.7 billion) as it did during FY70-74.

Para. 37. It is not correct to say that most Bank Group assistance to education has been channelled through IDA. The IDA proportion of total lending over the years has been a little over one-third. During FY79, the IDA share was 50% but during the previous five years, it averaged between 25% and 30%.

Para. 38. We feel it is no longer quite correct to say that, as a development agency, the Bank tries to concentrate its assistance on those areas of education which contribute most to economic growth. With its growing concern about the problems and needs of the lowest income countries, and its policy to promote balanced educational development based on governing principles which include the provision of a minimum basic education for all and the equalization of educational opportunities, assistance for social development and for the disadvantaged has been concomitant to the objective of economic growth. Improving social well-being may well contribute to economic growth--but not directly or immediately.

Para. 40. The newer types of education project components for which the Bank has provided assistance have included: non-formal basic education programs and low-cost skill training alternatives, post-primary job-oriented pre-service programs, health training, curriculum development, educational broadcasting and textbook and learning materials production, as well as those cited in the paragraph.

Para. 41. The construction of buildings (including but not limited to the provision of "building materials") remains the largest outlay in lending for education--although it has decreased from almost 69% in the 1960s to 46% in FY79.

Para. 47. Basic "technical assistance" to borrowers by Bank staff embraces the implementation of projects as well as the identification and preparation of them (i.e., continuous guidance and assistance in all the tasks of organizing and controlling project execution, and training for similar development operations in the future).

Para. 48. The Bank has made grants in the past, but in exceptional cases only, and no grants have been made in recent years.

Because of the financial advantage to borrowers of obtaining required technical assistance from bilateral aid agencies in the form of grants, Bank staff try to help borrowers locate such sources of technical assistance, in addition to encouraging application to UNDP. Where technical assistance cannot be obtained from these sources, educational specialists' services and fellowship training programs are financed as components of education loans/credits (provided borrowers can be persuaded to borrow for the expenditures involved).

It is not only "specialized agencies" which act as executing agency for UNDP projects.

Para. 49. While borrowers are informed that the selection of individuals (e.g., educational specialists) or firms (e.g., architectural firms) to be employed by them under the provisions of loans/credits is their responsibility, they are also advised that the Bank will wish to satisfy itself that the individuals and firms being considered by borrowers for consultancy assignments are qualified to carry out the tasks identified by Bank staff during appraisal--and that the Bank will also wish to review and approve the consultants' terms of reference and drafts for the contracts negotiated with them before any contracts are signed.

Para. 50. The amount of technical assistance in Bank-assisted education projects handled by Unesco has certainly increased substantially--the value in the FY75-78 period (\$13.35 million, according to the figures provided in the draft paper) being almost three and one half times the value handled in the FY71-74 period (\$3.88 million). However, this is in line with the increase in overall lending for technical assistance (i.e., from \$63.6 million during FY70-74 to \$221.8 million during FY75-79--or also almost three and one half times). The wording of the draft may give the impression that Unesco now handles the bulk of technical assistance financed under education loans/credits. In recent years, the Unesco share has been in the range of 9%-12% of the total values of technical assistance in Bank projects.

Para. 57. The ratio of Bank and borrower financing of technical assistance varies from project to project, dependent on the estimate for the foreign exchange component, essentially covered by lending, and the proportion of local currency costs the Bank/IDA may agree to finance in accordance with the economic circumstances of the borrower. The proportion

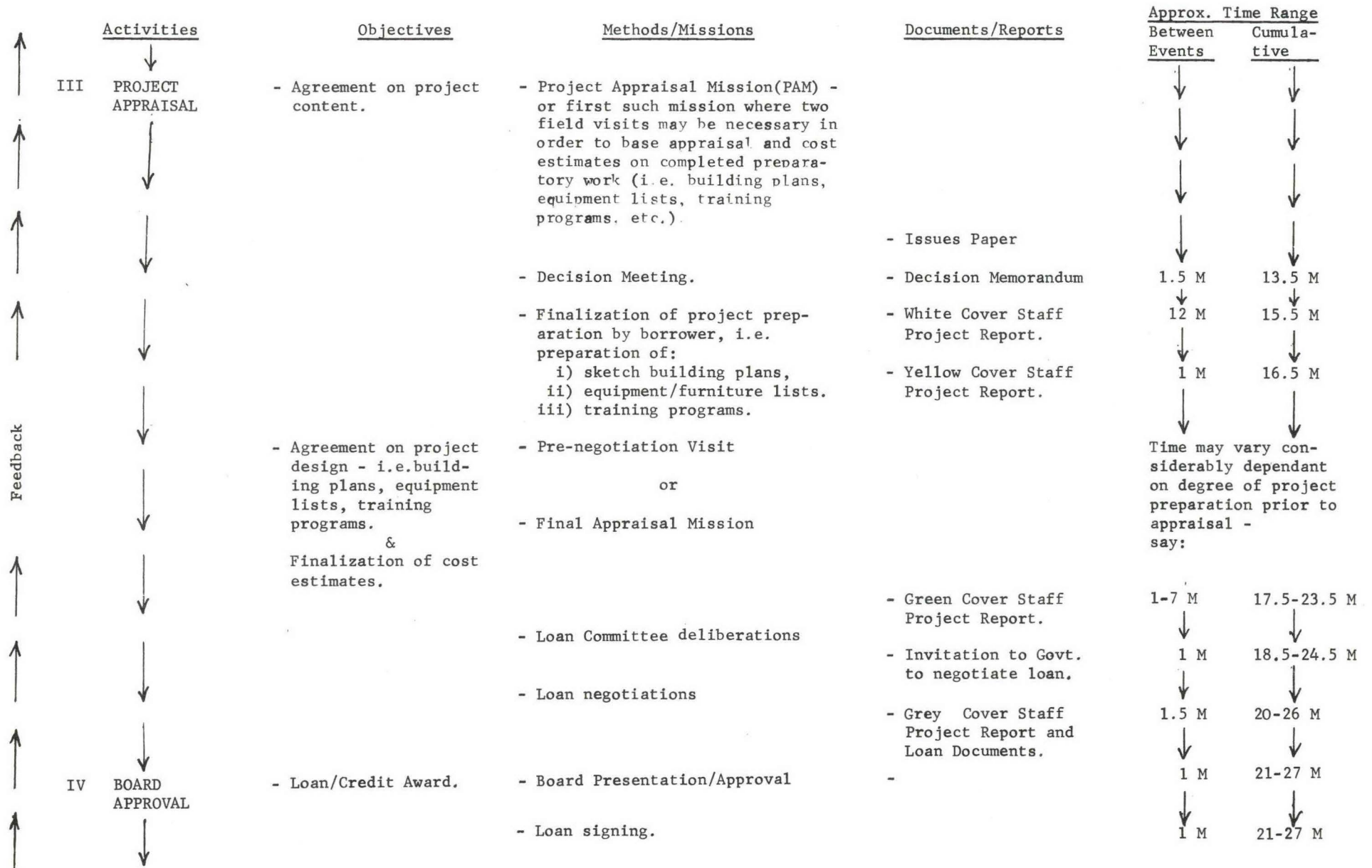
of total technical assistance costs financed by the Bank will usually fall within the range of 75%-90% but may exceptionally be larger.

Para. 58. It will not be surprising that we take exception to the statement that Unesco is the "only agency of the United Nations competent in the field of education." It seems particularly inappropriate for that statement to be made in a paper intended to describe assistance to the education sector made available by the Bank to the governments to which the paper will be directed. We suggest deletion of the sentence beginning with the word "Unesco" and ending with the word "approval".

By way of comment, we would add that Bank education sector staff who have identified on appraisal any professional services required for the successful implementation of the projects concerned but beyond the capabilities of borrowers' own staff are clearly concerned and in position to judge whether candidates for such tasks seem suitably qualified and experienced to accomplish them effectively. Operational and other factors beyond the professional requirements known to recruiting agencies may be involved. The Bank, therefore, does consider it necessary to review and approve the suitability of individual specialists as well as consulting firms under consideration by borrowers (paras. 26 and 49), regardless of the origins of proposals.

Attachment

DHLewis/SEBoskey/eb



Time may vary considerably dependant on degree of project preparation prior to appraisal - say:

Between Events	Cumulative
1-7 M	17.5-23.5 M
1 M	18.5-24.5 M
1.5 M	20-26 M
1 M	21-27 M
1 M	21-27 M

OFFICE MEMORANDUM

TO: Mr. Melvin J. Loewen, Technical Assistance
Officer, IRD

FROM: Mats Hultin, Senior Adviser & Acting Director, EDC

SUBJECT: UNESCO Guidelines for Subcontracting

DATE: December 12, 1979

1. We have reviewed the above paper as requested by you. We are a bit concerned about it. UNESCO, in its own right, of course, has the prerogative to offer technical assistance for education projects, and we should under no circumstances try to prevent such offer.
2. The paper which you asked us to review is, to a large extent, a compilation of various Bank documents but it contains also outdated pieces of information. It creates the impression that UNESCO is more involved in Bank project technical assistance than is really the case. It makes you also believe that UNESCO has a privileged position in Bank-financed technical assistance--an idea which we have difficulty in subscribing to. We are eager to develop further the cooperation with UNESCO but are less sure that a paper of this type is the best way to promote this.
3. Mr. David Lewis has provided some general comments on Page 1 of his memorandum to me and detailed comments on Pages 2-7. These comments have been derived from discussions with me as well as with some of his colleagues in the Regions.
4. I do not want to overdo this, but there is a role for you here to exercise diplomacy. This could imply a letter from your Department and an appropriate excerpt from Pages 2-7 of David Lewis' memorandum. I say appropriate because some of the comments might require editing before submission.
5. I am leaving for Europe tonight, but you should feel free to discuss this with David Lewis and of course Mr. Aklilu who returns on Monday, December 17. Mr. Lewis' memorandum is attached.

Attachment

MH/rcm

cc: Messrs. Aklilu, Director, EDC
Lewis, Implementation Adviser, EDC

OFFICE MEMORANDUM

TO: Mr. Mats G. Hultin (EDC)

DATE: December 7, 1979

FROM: David H. Lewis (EDC)

SUBJECT: "The World Bank's Technical Assistance for Education Projects"
Draft UNESCO Guide for Member State - 1980

You requested my observations concerning the draft for a Unesco guide to member states entitled "The World Bank's Technical Assistance for Education Projects"--which was sent to Mrs. Boskey by Mr. Najman with his letter of November 9 and was received by this Department on December 4:

1. I am not clear why a paper so titled--or, at any rate, why the material contained in its first two sections, which discuss technical assistance provisions in Bank Group loans/credits for the employment of specialists by borrowers and the training of borrowers' staff, specifically under procedures consistent with Bank/IDA policies--should be issued by Unesco. (The third and fourth sections of the paper are primarily Unesco's business as they deal with the negotiation and implementation of agreements between Unesco and the governments of member states for the supply of educational specialists--presumably under all funding circumstances, regardless of whether the projects/programs concerned are financed by the Bank/IDA or by other means. Nevertheless, these sections of the paper also concern us to the extent that some of the directions given could affect Bank/IDA interests in ensuring that specialists being considered for employment by our borrowers are qualified to perform jobs identified by our appraisal teams. See para. 4 (s) anon.).

2. The information which the first two sections of the paper are trying to provide--including descriptions of the evolution of the Bank's lending policy for education, the sequential processes by which projects are developed and typical project composition as well as the discussion of technical assistance provisions in loans/credits--can be obtained from various Bank publications available to borrowers; e.g. Questions and Answers, the World Bank and Education Projects, The Project Cycle and the Guidelines for the Uses of Consultants. Actually, a number of the paragraphs in the paper are verbatim excerpts from Questions and Answers and several reflect material in other Bank documents. It is a pity that not all passages are direct transcripts. But then, why not just use the originals?

3. The paper does indicate that Unesco need not automatically be requested to handle technical assistance requirements for Bank-assisted education projects and that governments are free to decide the agencies which should do so (paras. 26 and 50). Even so, the slant of some of the passages clearly not derived from Bank documents, as well as the simple fact of publication and distribution by Unesco of a guide with the title given to this draft paper, could give the misleading impression that Unesco is, nevertheless, the preferred or authorized supplier of educational specialists' services required for such projects.

4. Apart from the basic questions raised above, I have some observations concerning specific passages in the paper:

Stav here

^{moreover,} ^{Bank}
a) Para. 9. While it is of course true that until the early 1970s most lending went to general secondary education with strong support for technical, vocational and agricultural training, lending for primary education and universities was not entirely "excluded" in the early years of Bank activities in the education sector. Primary teacher training institutions and universities have featured in our lending programs since FY64. Unesco views were clearly a contributory factor to the broadening of Bank lending for education but, since there were others, it seems unnecessary to give them prominence by reference.

As for the reference to "consistent procedure" by Unesco,

We would suggest substituting something like Unesco was influential in the Bank's decision partially to broaden the scope of its lending to, etc, etc.

b) Para. 10. Similarly, ^{it is not entirely accurate to attribute Bank's} is the highlighting of the part Unesco played in the Bank's decision to enter the field of educational development strictly necessary?

lending for education solely to Unesco's powers of persuasion.

c) Paras. 12-19. The type of project and report structure listed to illustrate Unesco's role in the allocation of Cooperative Program functions under the original agreement signed in 1964 is largely outdated. (It may be useful to supply Mr. Najman with a copy of our present education project cycle chart outlining the sequence of missions, reporting, etc. now generally followed in the development of our projects--attached). For instance, I am not aware of any End-Use Evaluation Missions carried out by Unesco staff but they have of course undertaken Completion Missions for the Bank.

The present

can be a

re Bank's projects is outlined in the attached education project cycle chart.

d) Para. 21. The purpose of supervision missions is not just to check on the progress of implementation and ensure compliance with loan/credit conditions but also--and principally--to assist borrowers in identifying, anticipating and solving problems as a cooperative exercise. Supervision missions are timed, as far as possible, to coincide with critical events--such as the completion of building plans, equipment lists, bid analyses, education studies, etc.--to permit review, discussion and any necessary clearance of material in the field. Intervals between missions may, therefore, vary anywhere between 3 and 12 months though they may average about 6-7 months.

We would suggest reference to the "loan/credit agreement" rather than to the "loan agreement".

attach project cycle chart.

While a borrower government will generally have to arrange payment of construction costs from its own resources before claiming reimbursement of the Bank/IDA share of such costs against evidence of payment, (Withdrawal Procedure I), it will not always have to do so for other types of expenditure. The Bank/IDA may agree

to make payment direct to a supplier on a borrower's behalf against certification that the works have been performed or the goods supplied (Procedure III). It may also agree to reimburse a commercial bank for payments made by it under a letter of credit opened by a borrower in favor of a supplier (Procedures V and VI).

It may also be worth noting that the Bank maintains its active involvement with the implementation of projects after loan/credit signing not only because of its concern as a lender in the prompt servicing of its loans but also because of its interest as a development agency in seeing that the objectives of projects are carried out.

e) Para. 23. Responsibility for managing the execution of Bank-assisted education projects is not always entrusted to Project Units. In fact, ~~our policy is~~ ^{it is the} that wherever a permanent established department within the ministry or university concerned is properly organized and capable of undertaking project management responsibilities, these should be assigned to it. Only where neither such a department nor a management unit established for an earlier Bank/IDA education project is suitable, should the formation of a new Project Unit be considered--and, where this is unavoidable, the unit should be developed so that it will become in time a permanent department.

f) Para. 24. Loans and credits for early education projects sometimes included financial provisions to help borrowers employ project management staff of the calibre considered necessary--but not invariably--and such provisions are sometimes still included in our loans/credits. (Bank)

g) Para. 25. From FY63 to FY69, lending for technical assistance amounted to 10.7% of total lending for education and during the last financial year (FY79) the share of lending for technical assistance was 14.2%. As indicated by the Education Sector Policy Paper of September, 1979, the Bank expects to increase its support for software components during the next five years. (UNESCO has a copy)

h) Para. 26. While ^(Bank) our borrowers are responsible for selecting the specialists to be employed by them under the technical assistance provisions of loans/credits--as similarly, any architectural or other firms to be engaged as consultants--the Bank

does review the particulars of specialists or firms under consideration by borrowers, in order to satisfy itself that they are qualified to carry out the tasks required of them. It also reviews the terms of reference for their services and the draft contracts negotiated with them by borrowers, before the contracts are signed.

Para. 35. The reference to exploration for oil as a field in which the Bank is not involved is no longer accurate, in view of the Bank's announced energy program.

1) Para. 36. By the end of FY79, during which 18 new loans and credits for \$496 million were awarded for education projects, total Bank Group assistance to educational development had amounted to over \$2.7 billion for 192 projects in 82 countries. This represented about 52% of the total costs of the projects concerned and was equivalent to almost 4.0% of total Bank Group lending in all sectors (\$68.4 billion). During recent years, lending for education has accounted for over 4% of total lending and, over the next five years, the share is expected to rise to over 5%. In the five year-period, FY70-74, the Bank Group lent over three times as much for education (almost \$815 million) as it did in the preceding seven years, from FY63-69, (about \$244 million) and in the last five year period, FY75-79, it lent over twice as much (almost \$1.7 billion) as it did during FY70-74.

IDA

IDA

2) Para. 37. Most Bank Group assistance to education has not been channelled through IDA. The IDA proportion of total lending over the years has been a little over one-third. During FY79, the IDA share was 50% but during the previous five years it averaged between 25% and 30%.

It is not correct to say that

3) Para. 38. I don't think it is any longer quite correct to say that, as a development agency, the Bank tries consciously to concentrate its assistance in those areas of education which contribute most to economic growth. With our growing concern about the problems and needs of the lowest income countries, and our policy to promote balanced educational development based on governing principles which include the provision of a minimum basic education for all and the equalization of educational opportunities, assistance for social development and for the disadvantaged has been concomitant to the objective of economic growth. Of course, improving the social well-being of people may well contribute to economic growth--but not directly or immediately.

IDA

principles

16)

l) Para. 40. The newer types of education project components for which the Bank Group has provided assistance have included: non-formal basic education programs and low-cost skill training alternatives, post-primary job-oriented pre-service programs, health training, curriculum development, educational broadcasting and textbook and learning materials production, as well as ~~adult training and pilot primary education programs.~~ *None cited in the paragraph.*

Limited to

m) Para. 41. The construction of buildings (including but not just the provision of "building materials") remains the largest outlay in lending for education-- although it has decreased from almost 69% in the 1960s to 46% last year. *in FY 79.*

n) Para. 47. Basic "technical assistance" to borrowers by Bank staff embraces the implementation of projects as well as the identification and preparation of them (i.e. continuous guidance and assistance in all the tasks of organizing and controlling project execution, and training for similar development operations in the future).

The Bank has made grants in the past, but in exceptional cases only, and no grants have been made in recent years.

o) Para. 48. Because of the financial advantage to borrowers of obtaining required technical assistance from bilateral aid agencies in the form of grants, Bank staff try to help borrowers locate such sources of technical assistance. *(Borrowers are becoming increasingly reluctant to borrow for technical assistance because of very high costs of specialists' services).* Where technical assistance cannot be obtained from bilateral sources, educational specialists' services and fellowship training programs are financed as components of education loans/credits (provided borrowers can be persuaded to borrow for the expenditures involved). ~~I cannot recall any instances in which the Bank has financed such costs in the form of grants. Nor am I aware that in "most" cases in the education sector the Bank has urged governments to look to the UNDP for financing pre-investment studies--or familiar with cases where the Bank has assisted countries to prepare applications to the UNDP for grants to finance such studies.~~

in addition to encouraging application to UNDP.

(these

It's not only "specialized services" which act as executing agency for UNDP projects.

is their responsibility

p) Para. 49. While borrowers are informed that the selection of individuals (e.g. educational specialists) or firms (e.g. architectural firms) to be employed by them under the provisions of loans/credits, they are also advised that the Bank will wish to satisfy itself that the individuals and firms being considered by

borrowers for consultancy assignments are qualified to carry out the tasks identified by Bank staff during appraisal--and that the Bank will also wish to review and approve the consultants' terms of reference and drafts for the contracts negotiated with them, before any contracts are signed.

q) Para. 50. The amount of technical assistance in Bank-assisted education projects handled by Unesco has certainly increased substantially--the value in the FY75-78 period (\$13.35 million, according to the figures provided in the draft paper) being almost 3 1/2 times the value handled in the FY71-74 period (\$3.88 million). However, this is just in line with the increase in overall lending for technical assistance (i.e. from \$63.6 million during FY70-74 to \$221.8 million during FY75-79--or also almost 3 1/2 times). The wording may give the impression that Unesco now handles the bulk of technical assistance financed under education loans/credits. In recent years, the Unesco share has been in the range of 9%-12% of the total values of technical assistance in our projects.

(of the work)

r) Para. 57. The ratio of Bank and borrower financing of technical assistance varies from project to project, dependent on the estimate for the foreign exchange component, essentially covered by lending, and the proportion of local currency costs the Bank/IDA may agree to finance in accordance with the economic circumstances of the borrower. The proportion of total technical assistance costs financed by the Bank Group may usually fall within the range of 75%-90% but may exceptionally cover even larger proportions.

will

s) Para. 58. In the context of education projects appraised by and financed by the Bank Group, the statement that Unesco is the only international agency competent in the field of education, is rather surprising as well as arguable. Bank Group education sector staff who have identified on appraisal any professional services required for the successful implementation of the projects concerned but beyond the capabilities of borrowers' own staff are clearly the most competent to decide whether candidates for such tasks seem suitably qualified and experienced to accomplish them effectively. Operational and other factors beyond the professional requirements known to recruiting agencies may be involved. The Bank, therefore, does consider it necessary to

of the United Nations

It will not be surprising that the Bank should take exception to the statement

If by way of comment, we would all not

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beginning with the word "Unesco" and ending with the word "approval"

It seems particularly inappropriate for such a statement to be made in a paper which is intended to describe assistance to be available by the Bank to the education sector to which the paper is directed. We suggest

review and approve the suitability of individual specialists as well as consulting firms under consideration by borrowers (paras. 4 (h) and 4 (p)), regardless of the origins of proposals. ~~I am not aware of any agreement between the Bank and Unesco waiving this requirement in the cases of candidates which Unesco proposes to provide for borrowers.~~

*This issues
never dies
even goes away*

5. ~~Mr. Najman may find a copy of our list of education sector guidelines and policy and other operational documents and of the Analysis of FY79 Lending in the Education Sector useful for reference purposes. Copies of both are attached.~~

DHLewis:bbp

cc: Mr. Aklilu Habte (o/r)

Attachments:

OFFICE MEMORANDUM

UNOSCO file
- with copy Shuley's letter

TO: Mr. Melvin J. Loewen, Technical Assistance
Officer, IRD

DATE: December 12, 1979

FROM: Mats Hultin, Senior Adviser & Acting Director, EDC

#7.3

SUBJECT: UNESCO Guidelines for Subcontracting

1. We have reviewed the above paper as requested by you. We are a bit concerned about it. UNESCO, in its own right, of course, has the prerogative to offer technical assistance for education projects, and we should under no circumstances try to prevent such offer.

2. The paper which you asked us to review is, to a large extent, a compilation of various Bank documents but it contains also outdated pieces of information. It creates the impression that UNESCO is more involved in Bank project technical assistance than is really the case. It makes you also believe that UNESCO has a privileged position in Bank-financed technical assistance--an idea which we have difficulty in subscribing to. We are eager to develop further the cooperation with UNESCO but are less sure that a paper of this type is the best way to promote this.

3. Mr. David Lewis has provided some general comments on Page 1 of his memorandum to me and detailed comments on Pages 2-7. These comments have been derived from discussions with me as well as with some of his colleagues in the Regions.

4. I do not want to overdo this, but there is a role for you here to exercise diplomacy. This could imply a letter from your Department and an appropriate excerpt from Pages 2-7 of David Lewis' memorandum. I say appropriate because some of the comments might require editing before submission.

5. I am leaving for Europe tonight, but you should feel free to discuss this with David Lewis and of course Mr. Aklilu who returns on Monday, December 17. Mr. Lewis' memorandum is attached.

Attachment

MH/rcm

cc: Messrs. Aklilu, Director, EDC
Lewis, Implementation Adviser, EDC

OFFICE MEMORANDUM

TO: Mr. Mats G. Hultin (EDC)

DATE: December 7, 1979

FROM: David H. Lewis (EDC)

SUBJECT: "The World Bank's Technical Assistance for Education Projects"
Draft UNESCO Guide for Member State - 1980

You requested my observations concerning the draft for a Unesco guide to member states entitled "The World Bank's Technical Assistance for Education Projects"--which was sent to Mrs. Boskey by Mr. Najman with his letter of November 9 and was received by this Department on December 4:

1. I am not clear why a paper so titled--or, at any rate, why the material contained in its first two sections, which discuss technical assistance provisions in Bank Group loans/credits for the employment of specialists by borrowers and the training of borrowers' staff, specifically under procedures consistent with Bank/IDA policies--should be issued by Unesco. (The third and fourth sections of the paper are primarily Unesco's business as they deal with the negotiation and implementation of agreements between Unesco and the governments of member states for the supply of educational specialists--presumably under all funding circumstances, regardless of whether the projects/programs concerned are financed by the Bank/IDA or by other means. Nevertheless, these sections of the paper also concern us to the extent that some of the directions given could affect Bank/IDA interests in ensuring that specialists being considered for employment by our borrowers are qualified to perform jobs identified by our appraisal teams. See para. 4 (s) anon.).
2. The information which the first two sections of the paper are trying to provide--including descriptions of the evolution of the Bank's lending policy for education, the sequential processes by which projects are developed and typical project composition as well as the discussion of technical assistance provisions in loans/credits--can be obtained from various Bank publications available to borrowers; e.g. Questions and Answers, the World Bank and Education Projects, The Project Cycle and the Guidelines for the Uses of Consultants. Actually, a number of the paragraphs in the paper are verbatim excerpts from Questions and Answers and several reflect material in other Bank documents. It is a pity that not all passages are direct transcripts. But then, why not just use the originals?
3. The paper does indicate that Unesco need not automatically be requested to handle technical assistance requirements for Bank-assisted education projects and that governments are free to decide the agencies which should do so (paras. 26 and 50). Even so, the slant of some of the passages clearly not derived from Bank documents, as well as the simple fact of publication and distribution by Unesco of a guide with the title given to this draft paper, could give the misleading impression that Unesco is, nevertheless, the preferred or authorized supplier of educational specialists' services required for such projects.

4. Apart from the basic questions raised above, I have some observations concerning specific passages in the paper:

a) Para. 9. While it is of course true that until the early 1970s most lending went to general secondary education with strong support for technical, vocational and agricultural training, lending for primary education and universities was not entirely "excluded" in the early years of Bank activities in the education sector. Primary teacher training institutions and universities have featured in our lending programs since FY64. Unesco views were clearly a contributory factor to the broadening of Bank lending for education but, since there were others, it seems unnecessary to give them prominence by reference.

b) Para. 10. Similarly, is the highlighting of the part Unesco played in the Bank's decision to enter the field of educational development strictly necessary?

c) Paras. 12-19. The type of project and report structure listed to illustrate Unesco's role in the allocation of Cooperative Program functions under the original agreement signed in 1964 is largely outdated. (It may be useful to supply Mr. Najman with a copy of our present education project cycle chart outlining the sequence of missions, reporting, etc. now generally followed in the development of our projects--attached). For instance, I am not aware of any End-Use Evaluation Missions carried out by Unesco staff but they have of course undertaken Completion Missions for the Bank.

d) Para. 21. The purpose of supervision missions is not just to check on the progress of implementation and ensure compliance with loan/credit conditions but also--and principally--to assist borrowers in identifying, anticipating and solving problems as a cooperative exercise. Supervision missions are timed, as far as possible, to coincide with critical events--such as the completion of building plans, equipment lists, bid analyses, education studies, etc.--to permit review, discussion and any necessary clearance of material in the field. Intervals between missions may, therefore, vary anywhere between 3 and 12 months though they may average about 6-7 months.

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to make payment direct to a supplier on a borrower's behalf against certification that the works have been performed or the goods supplied (Procedure III). It may also agree to reimburse a commercial bank for payments made by it under a letter of credit opened by a borrower in favor of a supplier (Procedures V and VI).

It may also be worth noting that the Bank maintains its active involvement with the implementation of projects after loan/credit signing not only because of its concern as a lender in the prompt servicing of its loans but also because of its interest as a development agency in seeing that the objectives of projects are carried out.

e) Para. 23. Responsibility for managing the execution of Bank-assisted education projects is not always entrusted to Project Units. In fact, our policy is that wherever a permanent established department within the ministry or university concerned is properly organized and capable of undertaking project management responsibilities, these should be assigned to it. Only where neither such a department nor a management unit established for an earlier Bank/IDA education project is suitable, should the formation of a new Project Unit be considered--and, where this is unavoidable, the unit should be developed so that it will become in time a permanent department.

f) Para. 24. Loans and credits for early education projects sometimes included financial provisions to help borrowers employ project management staff of the calibre considered necessary--but not invariably--and such provisions are sometimes still included in our loans/credits.

g) Para. 25. From FY63 to FY69, lending for technical assistance amounted to 10.7% of total lending for education and during the last financial year (FY79) the share of lending for technical assistance was 14.2%. As indicated by the Education Sector Policy Paper of September, 1979, the Bank expects to increase its support for software components during the next five years.

h) Para. 26. While our borrowers are responsible for selecting the specialists to be employed by them under the technical assistance provisions of loans/credits--as similarly, any architectural or other firms to be engaged as consultants--the Bank

does review the particulars of specialists or firms under consideration by borrowers, in order to satisfy itself that they are qualified to carry out the tasks required of them. It also reviews the terms of reference for their services and the draft contracts negotiated with them by borrowers, before the contracts are signed.

i) Para. 36. By the end of FY79, during which 18 new loans and credits for \$496 million were awarded for education projects, total Bank Group assistance to educational development had amounted to over \$2.7 billion for 192 projects in 82 countries. This represented about 52% of the total costs of the projects concerned and was equivalent to almost 4.0% of total Bank Group lending in all sectors (\$68.4 billion). During recent years lending, for education has accounted for over 4% of total lending and, over the next five years, the share is expected to rise to over 5%. In the five year period, FY70-74, the Bank Group lent over three times as much for education (almost \$815 million) as it did in the preceding seven years, from FY63-69, (about \$244 million) and in the last five year period, FY75-79, it lent over twice as much (almost \$1.7 billion) as it did during FY70-74.

j) Para. 37. Most Bank Group assistance to education has not been channelled through IDA. The IDA proportion of total lending over the years has been a little over one third. During FY79, the IDA share was 50% but during the previous five years it averaged between 25% and 30%.

k) Para. 38. I dont think it is any longer quite correct to say that, as a development agency, the Bank tries consciously to concentrate its assistance in those areas of education which contribute most to economic growth. With our growing concern about the problems and needs of the lowest income countries, and our policy to promote balanced educational development based on governing principals which include the provision of a minimum basic education for all and the equalization of educational opportunities, assistance for social development and for the disadvantaged has been concomitant to the objective of economic growth. Of course, improving the social well-being of people may contribute to economic growth--but not directly or immediately.

- l) Para. 40. The newer types of education project components for which the Bank Group has provided assistance have included: non-formal basic education programs and low-cost skill training alternatives, post-primary job-oriented pre-service programs, health training, curriculum development, educational broadcasting and textbook and learning materials production, as well as adult training and pilot primary education programs.
- m) Para. 41. The construction of buildings (including but not just the provision of "building materials") remains the largest outlay in lending for education--although it has decreased from almost 69% in the 1960s to 46% last year.
- n) Para. 47. Basic "technical assistance" to borrowers by Bank staff embraces the implementation of projects as well as the identification and preparation of them (i.e. continuous guidance and assistance in all the tasks of organizing and controlling project execution, and training for similar development operations in the future).
- o) Para. 48. Because of the financial advantage to borrowers of obtaining required technical assistance from bilateral aid agencies in the form of grants, Bank staff try to help borrowers locate such sources of technical assistance. (Borrowers are becoming increasingly reluctant to borrow for technical assistance because of very high costs of specialists' services). Where technical assistance cannot be obtained from bilateral sources, educational specialists' services and fellowship training programs are financed as components of education loans/credits (provided borrowers can be persuaded to borrow for the expenditures involved). I cannot recall any instances in which the Bank has financed such costs in the form of grants. Nor am I aware that in "most" cases in the education sector the Bank has urged governments to look to the UNDP for financing pre-investment studies--or familiar with cases where the Bank has assisted countries to prepare applications to the UNDP for grants to finance such studies.
- p) Para. 49. While borrowers are informed that the selection of individuals (e.g. educational specialists) or firms (e.g. architectural firms) to be employed by them under the provisions of loans/credits, they are also advised that the Bank will wish to satisfy itself that the individuals and firms being considered by

borrowers for consultancy assignments are qualified to carry out the tasks identified by Bank staff during appraisal--and that the Bank will also wish to review and approve the consultants' terms of reference and drafts for the contracts negotiated with them, before any contracts are signed.

q) Para. 50. The amount of technical assistance in Bank-assisted education projects handled by Unesco has certainly increased substantially--the value in the FY75-78 period (\$13.35 million, according to the figures provided in the draft paper) being almost $3\frac{1}{2}$ times the value handled in the FY71-74 period (\$3.88 million). However, this is just in line with the increase in overall lending for technical assistance (i.e. from \$63.6 million during FY70-74 to \$221.8 million during FY75-79--or also almost $3\frac{1}{2}$ times). The wording may give the impression that Unesco now handles the bulk of technical assistance financed under education loans/credits. In recent years, the Unesco share has been in the range of 9%-12% of the total values of technical assistance in our projects.

r) Para. 57. The ratio of Bank and borrower financing of technical assistance varies from project to project, dependent on the estimate for the foreign exchange component essentially covered by lending and the proportion of local currency costs the Bank/IDA may agree to finance in accordance with the economic circumstances of the borrower. The proportion of total technical assistance costs financed by the Bank Group may usually fall within the range of 75%-90% but may exceptionally cover even larger proportions.

s) Para. 58. In the context of education projects appraised by and financed by the Bank Group, the statement that Unesco is the only international agency competent in the field of education is rather surprising as well as arguable. Bank Group education sector staff who have identified on appraisal any professional services required for the successful implementation of the projects concerned but beyond the capabilities of borrowers' own staff are clearly the most competent to decide whether candidates for such tasks seem suitably qualified and experienced to accomplish them effectively. Operational and other factors beyond the professional requirements known to recruiting agencies may be involved. The Bank, therefore, does consider it necessary to

review and approve the suitability of individual specialists as well as consulting firms under consideration by borrowers (paras. 4 (h) and 4 (p)), regardless of the origins of proposals. I am not aware of any agreement between the Bank and Unesco waiving this requirement in the cases of candidates which Unesco proposes to provide for borrowers.

5. Mr. Najman may find a copy of our list of education sector guidelines and policy and other operational documents and of the Analysis of FY79 Lending in the Education Sector useful for reference purposes. Copies of both are attached.

DHLewis:bbp

cc: Mr. Aklilu Habte (o/r)

Attachments:

R:
CHAS. LAMUNIERE

IBRD Expenditures on Cooperative Programs*
(US\$ Thousands)

#7.3

FAO

UNESCO

WHO

UNIDO

FY 1965

1966

1967

1968 855

416

1969 1,172

530

1970 1,411

645

1971 1,729

747

1972 2,156

1,004

94

1973 2,520

1,130

232

15

1974 3,258

1,389

389

135

1975 3,050

1,222

454

269

1976 3,310

1,441

534

250

1977 3,414

1,356

624

217

1978 4,435

1,703

496

418

1979 4,797

1,763

831

440

Est 1980 4,923

2,264

1,053

443

* Representing the approximately 75% share of these expenditures which is financed by IBRD.



united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

7, place de Fontenoy, 75700 Paris

téléphone : 577-16-10
câbles : Unesco Paris
téléc : 204461 Paris

référence : CPX/UCE/F.906/1/79/507

1. ~~Ms. Boskey~~
(2. ~~Ms. Boskey~~
Ms. Boskey?

9 November 1979

Dear Ms. Boskey

Subject : The World Bank's Technical Assistance for Educational Projects

Unesco has decided to issue a series of practical guides for its Member States. The first issue of the series will be devoted to the Bank's Technical Assistance for Educational projects.

I enclose herewith five copies of the first draft of the guide and I should be grateful to receive the Bank's general appraisal, as well as detailed proposals for amendments, additions or deletions to the present text. Editorial corrections are not necessary since the text, before final printing, will be revised by an experienced editor.

If the missing statistical data in the foreword as well as in Tables 1 and 2 are readily available at the Bank, I should be grateful if you would also provide us with them.

It might be helpful, if a new section were added at the end of the present text, providing a list of publications, issued by the Bank, which could be sent to Member States to assist them in the execution of a Technical Assistance Agreement. I am thinking of such publications as the "Guidelines for Withdrawal of Proceeds of World Bank Loans and IDA credits" (issued October 1974) or "Uses of Consultants by the World Bank and its Borrowers" (issued April 1974). Therefore if you agree with this suggestion, I should be grateful if you would provide us with such a list of publications to be included in the new section, with titles in English, French and Spanish, and indication of the languages in which these publications are available and the address from which Member States could request them.

.../...

Ms Shirley Boskey
Director, International Relations Department
The World Bank
1818 H Street, N.W.
WASHINGTON DC 20433

11/14/79

In order to assist our translators, kindly send us a ^{as French} French and a Spanish copy of your publications "Policies and Operations : The World Bank Group" (issued in English in September 1974) and "Questions and Answers : World Bank and IDA", (issued in English in January 1974). If available, please send us also a French and a Spanish copy of the Model Agreement appearing in your Central Projects Note N° 5.01 issued on 7 March, 1979. - ?

It would be helpful to receive your comments, the list of publications, as well as the requested publications mentioned above, by 21 December 1979.

Finally, please let me know whether you wish to have a stock of the guide when printed and the number of copies which you will require in English, French and Spanish.

Yours sincerely



Dragoljub Najman
Assistant Director-General
for Co-operation for Development
and External Relations

THE WORLD BANK

ROUTING SLIP		DATE: 2/13
NAME		ROOM NO.
Mr. Riley ↑ MR		
APPROPRIATE DISPOSITION		NOTE AND RETURN
APPROVAL		NOTE AND SEND ON
CLEARANCE		PER OUR CONVERSATION
COMMENT		PER YOUR REQUEST
FOR ACTION		PREPARE REPLY
<input checked="" type="checkbox"/> INFORMATION		RECOMMENDATION
INITIAL		SIGNATURE
NOTE AND FILE		URGENT
REMARKS: Unesco file 7.3		
FROM: L. A. Chelvey	ROOM NO.:	EXTENSION: 73643



united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

7, place de Fontenoy, 75700 Paris

téléphone : 566-57.57
câbles : Unesco Paris
téléc : 27602 Paris

référence : CPX/CSF/4/79/037

CPX
re: AK/ilm
Per Riley

5 February 1979

Dear Miss Boskey,

re : World Bank documents released for Unesco's information

As you are no doubt aware, Unesco's internal structure has evolved considerably since the inception of its cooperative programme with the World Bank group in 1969. Indeed, the Cooperation for Development and External Relations Sector (CPX) is at present responsible for coordinating the Organization's relations with the Bank.

Consequently, I should be grateful if you would kindly ensure that copies of loan/credit agreements signed with Governments for education projects and other related data, are hereafter addressed to me. I am pleased to learn that copies of the Monthly Operational Summaries of Bank and IDA Proposed Projects will now also be provided to our Liaison Office in Washington.

With kind regards,

Yours sincerely,

Dragoljub Najman
Assistant Director-General
Cooperation for Development and
External Relations Sector

Miss Shirley Boskey
Director, International
Relations Department
International Bank for
Reconstruction and Development
1818 H Street, N.W.
WASHINGTON, D.C. 20433
U.S.A.

RECORDED

FEB 15 1979

79-037-03

OFFICE MEMORANDUM

TO: Mr. Riley
FROM: Dick Van Wageningen
SUBJECT: TA — Unesco's "Standard Agreement"

DATE: 10 June 77

Yesterday by phone Argyropoulos said you had been equipped (as expected) with this long-sought agreement & a set of "caveats," etc.

When you have got back to your chair here & are conveniently ready, I would be happy to learn about this also. (I'll be going over there on 4 July, according to present plan.) Just give me a call.

cc: Agreement sent to
Van Wageningen
on 7.8.77

1.3

KABORE

JUNE 2, 1977

UNESCO

676-1174

PARIS

TELEX

TELEX: 270 602

204 461

REURCAB 13823 EYE CONFIRM ATTENDANCE MEETING NAJMAN'S OFFICE

JUNE 8

RILEY
INTEAFRAD

Vincent J. Riley

International Relations

VJRiley/eb

INCOMING TELEX From Paris

sd

June 2 77

Distribution:

JUN 2 1977
RECEIVED
COMMUNICATIONS

RILEY

Mr. Riley

INTBAFRAD WASH

JUN 2 1977

13823 REFERENCE YOUR FORTHCOMING MEETING WITH UNESCO SECRETARIAT
ARRANGED WITH MOLLER STOP MEETING WILL BE HELD ON 8 JUNE AT 1530 PM
IN NAJMAN'S OFFICE STOP PLEASE CONFIRM YOUR ATTENDANCE

KABORE UNESCO PARIS

END

248423 WORLDBANK

UNESCO 204461FTO

OFFICE MEMORANDUM

TO: Files

DATE: June 2, 1977

FROM: R. W. Van Wagenen SUBJECT: Unesco/CP - Visit of Mr. Moller May 23-25.

1. Attached is a partial program of activities during this visit, which was devoted to general talks and not to manpower scheduling. The highlights of decisions or understandings reached are given below.
2. The first five items below were discussed in a meeting with Regional Division Chiefs (Cole, Dowsett, Johanson, Pennisi, and Theodores (acting between de Capitani and Stewart)); Moller, Hultin, and Van Wagenen.

CP Task Force Report

3. Mr. Moller's statement on the report reached the Director-General (through Mr. Tanguiane) on March 31 and the D-G has seen it. A response will not be possible before July as the D-G is absent until June 30. There was a valuable off-the-record discussion of considerable frankness which is not reported here.

Recruitment

4. Of the 6 professional vacancies in CP, 4 were still under active recruitment; 2 of the 4 were in the Director-General's office now for decision in July. Mr. Moller would prefer that consultations with the Bank be held earlier (at the short-list stage), but this was not now the system.

Exchange of Staff

5. It was agreed that there should be reciprocal secondment of staff for 2-year periods, as recommended by the Task Force. Nationality of staff seconded would not be a problem. Some suggested that it would be more valuable for Bank staff to be posted to Unesco field operations than to Paris Hq.

Documents

6. It was agreed that each Completion Report would be sent to CP for information before the Project Audit Report was done, and that all Regional Divisions would send Completion Reports.

Sector Guidelines

7. The Jan. '77 revision of the Bank's "Guidelines for Education Sector Studies" was discussed, with Messrs. Moller, Zymelman (who had done the revision), Ballantine, and Van Wagenen present. The Bank had requested EFD's views on this document shortly after it was issued. Mr. Moller brought with him the written comments (on file and available in Educ. Dept.) of 6 EFD staff members, and the results of a staff meeting on the subject.

8. His own comments were similar. Criticism was rather heavy on two levels: basic (whether such guidelines were needed at all for CP work) and specific (too prescriptive, too ambitious, and wording sometimes too abstract). Mr. Zymelman pointed out that these were designed only for Bank use, not for CP, and particularly for new staff members. It was agreed that the guidelines should stand, but (a) with a brief introduction stating that they were suggestions rather than prescriptions and that they were addressed to Bank staff, and (b) that they should be reviewed for consistency with the forthcoming (1978) Sector Policy Paper after issuance of that paper.

Technical Assistance

9. The meaning of a point in Mr. Najman's letter of April 22, '77 (to which Mrs. Boskey had replied May 9) was explored between Mr. Moller and Mrs. Boskey: "The principle of full-funding of services rendered." The problem is that Unesco's TA "standard agreement" with the borrower specifies a certain number of dollars and man-weeks for a certain task. Occasionally when there is a cost overrun the borrower does not want to pay the difference. Unesco would like to place a clause in the "standard agreement" requiring payment of the difference from other parts of the Bank loan, such as contingency funds. Mrs. Boskey asked how such a clause could bind the Bank and also why the government would accept it if they had not agreed to a full-funding clause in the original "standard agreement".

10. Mr. Moller undertook to press Mr. Najman to send a follow-up mission to the Bank consisting of Mr. Ilosvay and Mr. Bellahsene and anyone else needed to resolve such questions. Meanwhile, Mrs. Boskey and/or Mr. Riley might have an opportunity to discuss TA with Mr. Najman at meetings in Geneva that both were attending in June. (To send such a TA mission to the Bank had also been agreed in the meeting with Division Chiefs noted above.)

Project Briefs

11. A new Operational Manual Statement (No. 2.13, April '77) was discussed with Mr. Hultin and Mr. Lethem, its basic author. The "Project Brief System" was designed to stimulate an open, informal, constructive and continuous professional dialogue between Bank and borrowing country

at the earliest appropriate stage of the project cycle. The question was whether EFD could assist by including in each of its sector studies a 2-6 page statement which (like a project brief) would convey EFD's own ideas about possible alternative approaches to financing of educational improvement. He cited Annex 2, para. 2.1 in particular. Mr. Moller believed his colleagues would welcome this and he agreed to try it out during the forthcoming Malaysia sector study.

cc: Regional Educ. Div. Chiefs
Messrs. Hultin
Romain /Bohr, Lethem
Mrs. Boskey / Mr. Riley
Moller

RWVW/mms

Schedule of Mr. W. Moller's Visit

May 23-25, 1977

Monday, May 23

- a.m. 9:15 - Mr. Hultin, D-729
10:00 - Mr. Van Wagenen, D-735
10:30 - Mr. Ballantine - Meeting in D-762 on SP3
p.m. 1:00 - Lunch with Messrs. Hultin, Jallade, Van Wagenen
(Meet in Mr. Hultin's office at 12:50)
2:00 - Weekly Staff Meeting of Education Dept., D-762

Tuesday, May 24


- a.m. 9:30 - Meeting with Regional Educ. Div. Chiefs, D-762
11:00 - Mrs. Boskey, E-823
p.m. 2:30 - Ms. Dowsett, A-818
3:30 - Mr. Deeley, E-410
5:00 - Messrs. Hultin, Lethem, Van Wagenen, D-729
(re Project Briefs)

Wednesday, May 25

- a.m. 9:00 - Messrs. Romain and Bohr, N-110 (re evaluation)
10:00 - Mr. Ballantine
11:30 - Messrs. Ballantine, Van Wagenen, Zymelman, D-729
(re Sector Guidelines)
12:30 - Mr. Cole, F-302

FORM NO. 75
(1--76)

THE WORLD BANK

ROUTING SLIP		DATE:
		April 27, 1977
NAME		ROOM NO.
Mr. Hultin		
Mr. Lethem		
Mr. Riley ✓		
	APPROPRIATE DISPOSITION	NOTE AND RETURN
	APPROVAL	NOTE AND SEND ON
	CLEARANCE	PER OUR CONVERSATION
	COMMENT	PER YOUR REQUEST
	FOR ACTION	PREPARE REPLY
	INFORMATION	RECOMMENDATION
	INITIAL	SIGNATURE
	NOTE AND FILE	URGENT
REMARKS:		
Gov. we talk about the attached letter from Unesco early next week, please? I think that each of us is concerned with some element or elements of the letter. I will call to fix some mutually satisfactory time.		
Attachment 		
FROM: Shirley Boskey	ROOM NO.:	EXTENSION:
	E-823	2173



7, place de Fontenoy, 75700 Paris

téléphone : 577-16-10
câbles : Unesco Paris
téléc : 270602 Paris
204461 Paris

référence : CPX/CSF/4/77827

28

22 APR 1977

Dear Mrs. Boskey,

Subject : Standard agreement with Governments for the execution of technical assistance components of IBRD credits and loans

In the light of current experience, it has appeared for some time now that the above standard agreement does not fully serve the purpose for which it is intended. I would in particular single out the following shortcomings :

(a) We believe that the document should give a description of the substantive aspects of the project, as well as a timetable of planned execution. This information would complement, but not replace, the basic framework of the existing type of agreement. The description of the project would not be as detailed as in the case of UNDP projects, but with a timetable of implementation which could follow the presentation given in UNDP project documents. The procedure for its revision would be as simple as possible. This information about the project would be in the form of an annex to the Agreement.

It will be recalled that the reason for which all substantial aspects were eliminated from the document is that the credit or loan agreement between the Government and IBRD, and subsequently the agreement between Unesco and the Government, is based upon the PIM, PPM and Appraisal reports. All these documents deal with the substance of the project and our agreement with the Government is to execute the plan already established. However, the practice has shown that, as far as technical assistance is concerned, the substantive documents are not specific enough to build a programme for action.

(b) The principle of full-funding of services rendered is essential, but is, as you know, accepted only reluctantly by certain Governments. It might be possible to take a new approach based on Schedule I, Article 5 of the agreement between the World Bank and the Member State, which reads as follows :

.../...

Mrs. Shirley Boskey
Director
International Relations Department
International Bank for Reconstruction
and Development
1818 H Street, N.W.
Washington, D.C. 20433

"Notwithstanding the allocation of an amount of the Credit or the disbursement percentages set forth in the table in paragraph 1 above, if the Association has reasonably estimated that the amount of the Credit then allocated to any Category will be insufficient to finance the agreed percentage of all expenditures in that Category, the Association may, by notice to the Borrower : (i) reallocate to such Category, to the extent required to meet the estimated shortfall, proceeds of the Credit which are then allocated to another Category and which in the opinion of the Association are not needed to meet other expenditures, and (ii) if such reallocation cannot fully meet the estimated shortfall, reduce the disbursement percentage then applicable to such expenditures in order that further withdrawals under such Category may continue until all expenditures thereunder shall have been made".

You might be willing to discuss the inclusion of a reference to this article in the standard agreement.

We would be grateful to have your reaction to the issues raised above. If you believe that they could be solved more efficiently by direct consultations rather than by correspondence, we would be willing to meet with you either in Paris or in Washington. Such consultations could also deal with two other topics :

(i) Recruitment procedures, including the "common roster" problem (please see in this connection the exchange of letters between Mr. Maheu and Mr. Demuth in 1969, concerning the establishment of a roster of personnel - copies attached for ease of reference);

(ii) Reimbursement procedures by IBRD of invoices sent to Governments : there we would like to discuss the adequacy (or inadequacy) of advances given by the Bank to Unesco, as well as any measures which could be taken in order to ensure a more timely reimbursement from Governments.

I am looking forward to hearing from you in the near future.

Yours sincerely,



Dragoljub Najman
Assistant Director-General
Co-operation for Development and
External Relations Sector

OFFICE MEMORANDUM

TO: Files

DATE: April 14, 1977

FROM: R.W. Van Wagenen *RW*SUBJECT: Unesco - Meetings with Mr. T. Ilosvay on Technical Assistance.

1. Mr. Thomas Ilosvay, Chief of Unesco's Field Staff Recruitment and Administration Division (under ADG Najman), visited the Bank for most of a day at our request on April 12.
2. He met with representatives of the Regional Education Divisions and the Education Department as a group, and followed this with separate talks with a representative of each Division. At the group meeting were: Messrs. Hultin, Cole, de Capitani, Johanson, Freire, Lindsay, Lubbock, Scarce, Jallade and Van Wagenen. Topics discussed are shown on the attached agenda.

Main Points Emerging from Group Meeting

3. Delays in recruitment and coordination of timing. Bank and borrowers are sometimes frustrated by the long period required for recruitment of TA experts. Mr. Ilosvay explained why recruitment de novo must take about 6 months normally. (And see para. 11 below.) He said some time could be saved by more accurate job descriptions, which would be possible if projects were more carefully planned at the appraisal stage, somewhat in the way UNDP does with its formal planning documents. This would also help avoid bad timing, such as the arrival of a replacement after the preceding expert had left, leaving a gap. In response to a suggestion that teams might be recruited as a group rather than as separate individuals, he could not say that this was impossible because it had not been tried; it deserved study. (See para. 12 below.) He pointed out that his division was currently analyzing some 30 cases of TA in Bank loans, in order to learn where the causes of delay lie, and would gladly send us the result. Asked later whether countries could be supplied with names and qualifications only, leaving it to the government to make all arrangements thereafter, Mr. Ilosvay said this had never been done but that he saw nothing to prevent such a practice. (See also para. 10.)
4. Approval by the Bank of each TA expert before selection for each assignment. Although recognizing that usually a specialist could successfully apply his expertise to a variety of countries, the Bank clearly favored separate approval for each assignment. Mr. Ilosvay raised no objection to this practice.
5. Roster of TA experts. This becomes outdated, so that frequently the information is inadequate or irrelevant. Mr. Ilosvay said the 8,000 files were about to be computerized at Unesco, aiming at more accurate coding and quicker incorporation of new information.

6. Heavier backstopping from Unesco Headquarters of TA experts in the field. Some present felt a real need for more "management" of individuals and teams of experts, who frequently were left alone without administrative backup from Unesco after they arrived on the job.

Mr. Ilosvay pointed out that this was indeed a concern of Mr Bellahsene (Chief of Operational Programs Division, under ADG Tanguiane) and that Mr. Bellahsene was anxious to improve backstopping.

7. Nationality of Experts. The prevailing opinion seemed to be that an expert need not be a national of a Bank member country if he was chosen by the borrower from a Unesco roster or under a funds-in-trust agreement, but some present said that the Bank's Controller and Legal Dept. did not seem to agree with each other on this point. Education Department will learn the true situation and inform those concerned.

8. Contracts. The main problem is vagueness as to the end product desired. It was suggested that not only the final product, but interim targets (perhaps each 6 months) should be written into contracts and job descriptions.

9. Briefing. It is difficult to brief an expert sufficiently. Apart from whatever contact the expert is able to have with Bank staff, the main job falls to the Desk Officer in Mr. Bellahsene's Division at Unesco; these officers are acquainted with the projects in each of several countries. To leave briefing to Bank supervision missions is often to postpone it too long. This problem will be discussed further in the Bank.

10. Costs. The very high cost of TA is well known and brings resistance to expatriate assistance in many parts of the world. Those present did not consider Unesco's 14% overhead charge to be out of line. A solution seemed to be a more careful cost-benefit approach in estimating the value of TA experts. Direct recruitment by a government after Unesco had supplied names could possibly also reduce the costs.

Points of General Interest Emerging from Individual Meetings

11. Recruiting period can be cut from the normal 6 months to 3 or even 2 months when the acceptable appointee has already been identified.

12. Recruiting of teams might be feasible up to a group of 6 or 7, but not for larger teams because of the coordination problem.

13. The channel for correcting poor performance of Unesco TA experts when this is identified in the field is through the Desk Officer in Mr. Bellahsene's Division in Paris, rather than through the UNDP Resrep. or the government or the Project Manager.

14. Cost of experts might be reduced by recruiting a mixed team: an Expert, an Associate Expert, and a UN Volunteer, for example. Frequently 3 senior experts of long experience are really unnecessary on the same team.

cc: Mr. Ilosvay, Mr. Moller (Unesco)
Messrs. Hultin, Cole, de Capitani, Johanson, Freire, Lindsay,
Lubbock, Scarce, Jallade.

RWW/mms

Agenda

for Meeting with Mr. Ilosvay on April 12, 1977 at 9:30 a.m.

Problems connected with use of Unesco TA by Bank Borrowers

1. Recruitment of Experts

Methods and sources of selection - up-to-date roster.
- review by Bank of each appointment.

Delays in procedure - where?
Assurance of quality - how?

2. Contracts

Specification of end product.
Review of draft by Bank.

3. Coordination of TA services with other inputs to project.

4. Services provided by Unesco

Supervision of Expert's product - timing and quality.
Backstopping of other sorts from Hq. - current and suggested.

5. Costs

Cost of Experts compared with alternative sources.
Agency fee structure compared with that of other organizations.
Other costs, such as possible contribution to government
supplying Expert.

OFFICE MEMORANDUM

Mrs. Boskey
2. 523 file

TO: Files

DATE: March 14, 1977

FROM: Mats Hultin

SUBJECT: Discussions About Bank/Unesco Cooperative Program and FY78 Activities

1. After four days of conversations between Mr. Argyropoulos of Unesco, the Regional Education Division Chiefs and the appropriate staff in the Education Department, as well as Mrs. Boskey, International Relations Department, Mr. Lynn, Organization Planning Department, and Mr. Romain of Operations Evaluation Department, the following matters were particularly discussed in the final meeting with Mr. Argyropoulos. f
2. The discussions during the week were obviously facilitated by the preparatory work done by Mr. Van Wagenen, with schedules showing the over-all regional requests for Unesco assistance, as well as breakdowns by specialities. The breakdown of the schedules over quarters was also found to be appropriate. The total requests amounted this year to over 900 manweeks, which was a considerable increase compared with the requests a year ago for FY77.
3. A special meeting with the Division Chiefs had taken place to discuss some issues of technical assistance which would be discussed in some detail on April 12 with Mr. Ilosvay of Unesco during his visit to the Bank (letter from Mr. Moller of Unesco of February 10)^{1/} The technical assistance issues which were raised are reflected in the attached memorandum of February 17 from Ms. Dowsett.
4. In line with the suggestions in the report of the Joint Task Force on the Cooperative Program of January 1977, Mr. Argyropoulos had also visited Mr. Romain of OED and discussed possible cooperation in the execution of some OED activities.
5. Among the points raised during the final meeting were the following:
 - (a) EFD would like to receive all Form 700s, Country Economic and Sector Activity Summaries, as soon as they are issued so as to be able to keep track of Bank sector work. It was also mentioned that in some cases appraisal reports were not forwarded to Unesco as agreed.
 - (b) The question about the staffing of CP Unesco missions was once again discussed. A review of the Task Force report indicates clearly the procedures and responsibilities. The actual mission scheduling and individual staff assignments are Unesco's responsibility, while the Bank will be able to review and comment on draft terms of reference and request specific types of disciplines to be included in the missions.

^{1/} Date has now been changed to April 22.

Files

March 14, 1977

- (c) The EFD wishes to know whether the 10% net staff time to be devoted to non-CP Unesco work would include any travel funds for that staff time, possibly to be delivered in the field. The Education Department assumes that travel would generally not occur during that 10% of staff time, given the high frequency of travel required by Unesco staff in their regular work on the Cooperative Program. If travel nevertheless would be required, it should not be paid by the Cooperative Program unless a very strong case is made for such payment.
- (d) The funding of travel and subsistence for the participation of EFD staff in Bank missions on invitation by the Bank was also discussed. Such participation should be paid out of the regional travel funds and only in very exceptional cases by the CP program.

6. It was decided that Mr. Van Wagenen would summarize the major points in the joint Task Force report as they refer to mission activities and procedures, and the responsibilities of Unesco, the Regional Education Divisions and CPS, assuming that the recommendations would be largely accepted by Unesco and the Bank.

cc. and cleared with: Messrs. Lynn, Van Wagenen

cc: Mrs. Boskey ✓
Mr. Romain
Regional Education Division Chiefs
Mr. Jallade
Mr. Gomez

Mr. Moller, Unesco
Mr. Argyropoulos, Unesco

RVW:th

OFFICE MEMORANDUM

FEB 18 1977

TO: Mr. Mats Hultin, Acting Director EDPDR

DATE: February 17, 1977

FROM: Donna Dowsett, Acting Chief ICPED

SUBJECT: Unesco Technical Assistance

After your departure this morning, the following additional matters were raised by the Regional Education Division Chiefs in their meeting with Mr. Argyropoulos regarding Unesco technical assistance.

1) Costs

- a) It was explained by East Africa that it has been a long-standing practice within the U.N. system to pay a portion of the differential between the gross and net salaries of specialists to their governments as a sort of compensation to the supplying country for loss of specialized manpower. This practice was not known to any others at the meeting. Mr. Argyropoulos agreed to raise it with Unesco and, if the practice does prevail, explore the scope for eliminating it to reduce the costs of technical assistance to the recipient countries.
- b) East Africa also proposed that the Bank consider a different scheme for financing technical assistance, such as adding slightly to the interest charges on loans. The objective would be to draw attention away from the costs of such assistance and thereby minimize Borrower's reluctance to use loan funds for this purpose.
- c) Several Division Chiefs requested clarification on the breakdown of the 14% overhead charge, and LAC inquired to what extent the 14% is negotiable because it has come to our attention that the ILO at least tends to lower the fee for some countries (e.g. Paraguay). All Division Chiefs agreed that the costs, at least for overhead, would be more palatable if the services provided by Unesco in terms of supervising the work of its specialists were more in evidence.

2) Contracts

Mr. Argyropoulos mentioned that it is difficult to specify the exact "work product" one expects from advisers, but most Division Chiefs agreed that this could be done to a far greater extent than is presently the case in Unesco contracts. In that regard LAC mentioned that progress had recently been made on a contract with the Nicaraguan government, drawn up with the assistance of Mr. Louricé, which does a fairly good job of spelling out services to be provided along with a detailed implementation schedule. Mr. Argyropoulos acknowledged that there is some support within Unesco for moving further in such a direction.

3) Market for Specialists

Mr. Argyropoulos pointed out that Unesco has considerable difficulty finding any specialists at all, particularly from Europe, of the necessary caliber, who are willing to take one-two year contracts abroad. LAC mentioned

that this is not the case for specialists from Latin America, especially for assignment to other Latin American countries, and that Unesco might need to review its recruitment policy and look to less traditional sources of supply.

4) Roster

West Africa queried how the roster works and if it is true that once a specialist is approved for one assignment, he/she is automatically considered acceptable to the Bank for any others. Mr. Argyropoulos explained the roster briefly and suggested that if the Bank feels it is out of date or wishes to change the system in any way, it should take this matter up with Unesco during the April visit of Mr. Hlovay.

DDowsett:ts

THE WORLD BANK

ROUTING SLIP	DATE:
---------------------	--------------

NAME	ROOM NO.
Mrs Boskey	
VJ Riley	
file UNesco	

APPROPRIATE DISPOSITION	NOTE AND RETURN
APPROVAL	NOTE AND SEND ON
CLEARANCE	PER OUR CONVERSATION
COMMENT	PER YOUR REQUEST
FOR ACTION	PREPARE REPLY
INFORMATION	RECOMMENDATION
INITIAL	SIGNATURE
NOTE AND FILE	URGENT

REMARKS:

~~You may be interested
in these reports of
UNESCO unhappiness~~

FROM: VJ Riley	ROOM NO.:	EXTENSION:
--------------------------	------------------	-------------------

~~SECRET~~

Class of Service: L/C

Date: February 3, 1977

Telex No. _____

Originators Ext. _____

12

1.3¹⁰

0 START
HERE

1 TO RESIDENT MISSION

CITY/
COUNTRY RIYADH, SAUDI ARABIA

MESSAGE
NO.:

4 FOR CARMIGNANI COPY MACKAY. THANKS YOUR R79. AAA. WE PROPOSE TO
 5 WRITE, IN DUE COURSE, TO NAIJMAN AT UNESCO TO KEEP THEM INFORMED
 6 ABOUT PROGRESS OF ALP PROJECT. BBB. WE HAVE HAD ONLY ONE MISSION
 7 (JANUARY 1977) IN WHICH UNESCO WAS NOT ASKED TO PARTICIPATE. IN
 8 THE PRECEDING MISSION (OCTOBER 1976) WE ASKED FOR TWO UNESCO
 9 SPECIALISTS BUT UNESCO WAS UNABLE TO SPARE THEM. THIS INFORMATION
 10 MAY BE COMMUNICATED TO SHIBINY AND MUGHARBEL. CCC. FOR YOUR
 11 INFORMATION (AND NOT FOR TRANSMITTAL) GOVERNMENT DID NOT SPECIFICALLY
 12 ASK FOR COMPLETE EXCLUSION OF UNESCO BUT COMPLETELY AGREE THAT
 13 ABSOLUTELY NO ATTEMPT SHOULD BE MADE TO TAKE THE INITIATIVE OF
 14 PROMOTING A JOINT EFFORT WITH UNESCO. DDD. PLEASE INFORM AL-SADHAN
 15 THAT EYE AM PROCEEDING TO ORGANIZE TRIP STARTING ON MARCH FIRST
 16 BUT HOPE TO RECEIVE FORMAL RESPONSE SOON. THANKS. BEST REGARDS.
 17 SERAGELDIN

21 END
OF
22 TEXT

NOT TO BE TRANSMITTED

SUBJECT: Saudi Arabia: ALP *18*

DRAFTED BY: I Serageldin: scc

CLEARANCES AND COPY DISTRIBUTION:
 Cleared with & cc: Mr. Armstrong
 cc: Mr. Humphrey
 Mr. Hultin - with copy of
 ✓ Mr. Riley - incoming

AUTHORIZED BY (Name and Signature)
W. J. Armstrong
 DEPARTMENT: EMENA
 SECTION BELOW FOR USE OF CABLE SECTION
 CHECKED FOR DISPATCH

PS 8243/1 AG1 (7282)

RECEIVED

DISTRIBUTION: MR. W. J. ARMSTRONG ✓
MR. W. HUMPHREY

P 79

FOR SERAGELDIN COPY ARMSTRONG

1977 FEB -2 AM 10:04

ONE ELSHIBINY UNESCO RESREP DOHA AND MUG
 OPERATIONS ARAB STATES UNESCO PARIS VISITED RESIDENT
 MISSION TODAY.

MUGHARBEL CHIEF
COMMUNICATIONS
SECTION*Rec'd TBS
2/2/77*

ALPHA THEY STATED THAT THERE HAS BEEN A BREAK OF
 COMMUNICATION BETWEEN THE BANK AND UNESCO AND COMPLAINED
 ABOUT THE LACK OF COOPERATION BETWEEN THE TWO
 ORGANIZATIONS AND THE LACK OF INFORMATION FROM THE BANK
 ON THE ALP PROJECT.

BETA THEY AGAIN REFERRED TO THE COOPERATION UNDERSTANDING
 BETWEEN THE BANK AND UNESCO AND SAID THEIR HEART WAS
 OPEN FOR THE MUTUAL BENEFITS OF THE TWO ORGANISATIONS
 AND ARAB COUNTRIES.

GAMMA OFFERED UNESCO SERVICES AND EXPERTS TO ASSIST
 IN THE ALP PROJECT.

4/3 DELTA ATTEMPTED TO FIND OUT WHETHER THE GOVERNMENT
 HAS ASKED THE BANK TO SPECIFICALLY EXCLUDE UNESCO
 FROM THIS TASK.

TWO THESE TWO GENTLEMEN AGAIN TRIED TO GET UNESCO
 INVOLVED, USING WITHOUT MUCH CONVICTION BOTH THE
 THREAT OF HIGHER ECHELONS COMPLAINT AND THE PROMISE
 OF WILLINGNESS TO HELP.

THREE EYE SAID THAT: THE TASK WAS HANDLED AS A TASK FORCE
 UNDER YOUR LEADERSHIP, THE BANK WAS ONLY RESPONDING
 TO REQUESTS FROM THE SAUDI GOVERNMENT IN THE FRAMEWORK
 OF A SPECIFIC TECHNICAL ASSISTANCE PROGRAM, COULD NOT
 TAKE THE INITIATIVE OF PROMOTING A JOINT EFFORT WITH
 ANOTHER ORGANIZATION BUT WOULD NATURALLY WELCOME IT
 SHOULD THE SAUDI GOVERNMENT REQUIRE IT, WAS CERTAINLY
 READY TO SUMMARISE IN GENERAL TERMS PROGRESS ON THIS
 PROJECT AS DONE IN THE PAST SHOULD YOU BE APPROVE
 APPROACHED.

FOUR SUCH NEW ATTEMPT SHOULD BE RELATED TO DIFFICULTIES
 DESCRIBED IN NOTE MACKAY MEMO TO FILES OF JANUARY 23
 SUMMARIZING DISCUSSIONS BETWEEN ALSUGAIR AND
 MACKAY/HUMPHREY. REGARDS.

CARMIGNANI



Record Removal Notice

File Title United Nations Files: United Nations Educational, Scientific and cultural Organization UNESCO (Including Cooperative Program) - 1v		Barcode No. 1242188		
Document Date December 13, 1976	Document Type Letter			
Correspondents / Participants From: Abdulqadir Youseuf, UNESCO To: Vincent Riley, Chief, Technical Assistance Division				
Subject / Title Employment				
Exception(s) Personal Information				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Ann May</td><td>Date November 09, 2018</td></tr></table>	Withdrawn by Ann May	Date November 09, 2018
Withdrawn by Ann May	Date November 09, 2018			

File
Koster
Hess

7, place de Fontenoy, 75700 Paris

Telephone: 577-16-10
Cables: Unesco Paris
Telex: 210692 Paris
Reference: ED/GP2/76/4/220

11/01	7-405
Oct 22, 76	

11 October 1976

Dear Mr. Vergara,

Subject: Credit 618-IA - Technical assistance component

Thank you for your letter of 21 September 1976 to Mr. Wood, together with a copy of your letter of 20 September 1976 to the Project Director in Haiti.

We regret the fact that we are unable to find, when dealing with technical assistance, a common procedure acceptable to all Divisions of the Bank in charge of the execution of projects. We notice that the requirements are different according to whether we deal with Africa, Asia, Arab States or Latin America.

CPM

As far as your letter to Mr. Saint-Laurent is concerned, we should like to make the following comments:

- Point i) : we accept to attach, as an annex to the agreement, the job descriptions of the specialists; however, we think that we could include them as part of the agreement once they are prepared by the Government and approved by you;
- Point ii) : we do not know how long it will take for all parties to approve the draft agreement, and consequently we cannot foresee when the specialists (not yet identified) will be ready to start the work;
- Point iii) : we are not quite sure what you mean by "monnaies diverses". So far, all the disbursements made by the Bank to Unesco have been in United States dollars. In the credit agreement (page 17), it is stated that 100% of expenditures will be financed by IDA. We should appreciate knowing if they are specific conditions for Haiti;
- Point iv) : you are no doubt aware of the exchange of correspondence between the President of the Bank and the Director-General of Unesco on this matter. It was agreed between both Organizations to have a common roster of candidates approved by the Bank and Unesco; consequently, only persons being in the roster were able to be appointed for specialists posts in IDA/IDA financed projects.

Mr. E. M. Vergara
Education Projects Division
Latin America and Caribbean
Regional Office
11th Street, N.W.
Washington, D.C. 20540

10 OCT 1976

We have followed this procedure since 1971. We do not think it is necessary, therefore, to introduce the sentence you suggest in the agreement between Unesco and the Government.

Yours sincerely,



Drogoljub Najman
Assistant Director-General
Cooperation for Development and
External Relations Sector

REF: HAITI - Credit 618-HAI

September 29, 1976

M. Vicinik Saint-Laurent
Minister
Projet d'Education No. 1
COWADEP
Boite Postale 2162
Port-au-Prince, Haiti

Dear Mr. Saint Laurent:

Subject: Technical Assistance - Proposed Agreement
between the Government of Haiti and UNESCO

With reference to the above document, attached to your letter No. 233, (3), dated August 20, 1976, we understand that proposed employment of the three specialists to be recruited through UNESCO has been based on your discussions with Messrs. Goussard and Wolff, who visited Haiti for the period March 2 - 12, 1976; and we wish to offer the following comments to be taken into account in revising the proposed agreement:

- i) the proposed agreement should include the terms of reference, required qualifications and length of employment for each specialist;
- ii) it should also include when each one of the specialists would be available and ready to start work;
- iii) in the last line of Article One of the proposed draft, the words "dollars des Etats Unis" should be replaced by "monnaies diverses";
- iv) the Bank would be provided with the opportunity to comment on both the selection and contracting of the specialists proposed for employment under the Credit Agreement.

We look forward to receiving a revised draft agreement for technical assistance, and we would also appreciate receiving information about the present status of the remaining portion of the technical assistance program.

Sincerely,

F. H. Vetter
Education Programs Division
Latin America and Caribbean Regional Office

cc: Mr. Pierre Saint-Laurent
Mr. [unclear]
Mr. [unclear]

Copy by Mr. Joe
[unclear]
[unclear]

cc: Messrs. Wolff, Gouron, [unclear]

①RG②file Unesco

1.3

TELEX NO. 27602 (UNESCO)
PARIS

APRIL 9, 1976

3556

FRANCE

TELEX

FOR MCKITTERICK

BANK HAS JUST RECEIVED REQUEST FROM FIELD MISSION FOR SAMMUR
PARTICIPATION IN ADDITIONAL MISSION TO SAUDI ARABIA. PROPOSE
CANCEL FIFTEEN DAYS REPORTWRITING IN WASHINGTON IN MAY AND REQUEST
HIS PARTICIPATION IN MISSION FROM JUNE FIFTH TO JULY FIFTH WITH ABOUT
FIFTEEN DAYS REPORTWRITING WASHINGTON JULY/AUGUST. SAMMUR AGREES
SUBJECT YOUR CONCURRENCE. IF YOU APPROVE WE WILL SEND LETTER OF
AGREEMENT WITH REVISED DATES AND IN ACCORDANCE DRAFT AGREED BY
UNESCO AND BANK.

STONE
PERSONNEL

Francesca G. Stone

Personnel - Consultants

FGS/scw

Mr. Riley E.808
Mr. Armstrong F.713



Record Removal Notice

File Title United Nations Files: United Nations Educational, Scientific and cultural Organization UNESCO (Including Cooperative Program) - 1v		Barcode No. 1242188		
Document Date August 2, 1976	Document Type Memorandum			
Correspondents / Participants To: Vincent Riley, Chief, Technical Assistance Division From: Fernando Cabezas				
Subject / Title Borrowers' Contracts with UN Agencies for Technical Assistance				
Exception(s) Attorney-Client Privilege				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Ann May</td><td>Date November 09, 2018</td></tr></table>	Withdrawn by Ann May	Date November 09, 2018
Withdrawn by Ann May	Date November 09, 2018			

DECLASSIFIED

NOV 06 2018
Personal
WBG ARCHIVES

UNOSCO
file 7.3
31 May 1976

Dear Vince,

I am writing on my last day in the office prior to departure on retirement.

It would be impossible to step out of our long - and often active - association over a number of years without extending to you my sincere gratitude for the encouragement, understanding, and patience you have accorded me over this time in the pursuance of my various functions.

Our collaboration will remain one of the warmest memories of a full and gratifying thirty years with the United Nations System.

It is my hope to stay in some more informal contact with that System to which I remain wholly committed, and hope, therefore, that our paths may cross again.

In the meantime may I say "au revoir" while wishing you all success and strength and courage to continue the worthwhile efforts to which I know you, too, are committed.

With personal regards,

Yours sincerely,



G. McKitterick

P.S. - Please forgive me for the anonymity of a form letter. However, my thirty years have been blessed with so many good and thoughtful friends and colleagues covering all corners of the world that the much to be desired personal letter to each is just impossible.

Mr. Vincent J. Riley
Chief, Technical Assistance Division
International Relations Department

UNESCO
file

March 12, 1976

Mr. Dragoljub Najman
Acting Assistant Director-General
Cooperation for Development and
External Relations Sector
United Nations Educational, Scientific and
Cultural Organization
7, Place de Fontenoy
75700 Paris
France

Dear Mr. Najman:

Thank you for your letter of February 13, 1976 (Ref. CPX/CSF/4/76637). Mr. Serageldin conveyed your views to us and having considered these in the light of the present ongoing review of Bank/UNESCO relations generally and the Cooperative Program specifically, we would propose the following:

- (i) The question of UNESCO participation in the Bank's Technical Assistance operations be explored as part of that ongoing review;
- (ii) in the interim, until the review has finalized its results, we would address all our requests for specialist assistance (outside the Cooperative Program) to support our Technical Assistance activities through your office with the full understanding that this in no way constitutes a precedent which prejudices the outcome of the ongoing review; and
- (iii) we would reimburse UNESCO for actual costs incurred (staff time, travel and subsistence). We find it difficult to consider the possibility of prepayment on an annual basis.

Finally, the proposed participation of two specialists from the Cooperative Program in the upcoming mission to the United Arab Emirates in April should be viewed as an exceptional circumstance and should not be allowed to prejudice in any way the presently ongoing review.

If the above meets with your approval, we would propose the following UNESCO participation (outside of the Cooperative Program) in our activities up to the end of FY76:

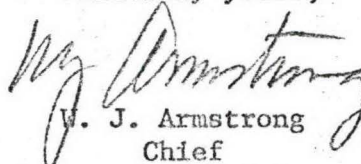
March 12, 1976

- (i) The participation of Mr. M. Sammur in the proposed Accelerated Literacy Program (ALP) in Saudi Arabia: In Riyadh from March 30 to April 29, 1976, and in Washington from May 1 to 15, 1976 (the latter part may be rearranged to provide a break in Paris for Mr. Sammur); and
- (ii) the participation of Messrs. Solomon and/or Bouchouchi in the Saudi Arabia Manpower Planning Study: a detailed specification of the tasks required was prepared and sent directly to Mr. Solomon (copy attached). It is our estimate that these tasks should require about 10 manweeks of effort and two man-missions (Paris/Washington/Paris).

We hope that the above proposals meet with your favorable consideration and look forward to your early reply.

With best wishes.

Sincerely yours,



W. J. Armstrong
Chief

Technical Assistance & Special Studies Division
Europe, Middle East & North Africa Projects Department

Attachment

ISerageldin:scc

Cleared with and cc: Mr. Ballantine

cc: Mr. El Darwish
✓ Mr. Riley
Mrs. Stone (Personnel)
Ms. Reinke

Unesco
file 7.3

IBRD
 IDA
 IFC
 ICSID

FORM NO. 27
(11-75)

WORLD BANK / IFC
OUTGOING MESSAGE FORM
(TELEGRAM/CABLE/TELEX)

TO: MR. DRAGOLJUB NAJMAN

DATE: MARCH 4, 1976

PARIS

ORIGINATOR'S EXT.: 2754

COUNTRY: FRANCE

CLASS OF TELEX SERVICE: 204461 F

CABLE NO. & TEXT: No. _____

THANKS YOUR TELEX MARCH FOUR.

FIRST

WE REGRET NOT HAVING RESPONDED TO YOUR VERBAL SUGGESTIONS TO SERAGELDIN BUT THESE ARE STILL UNDER SERIOUS CONSIDERATION HERE STOP. PROPOSE GIVE YOU FORMAL ANSWER WHEN YOU VISIT BANK FOR STEERING COMMITTEE REVIEW ABOUT MARCH ELEVEN.

SECOND

WE WISH TO CONFIRM THAT WE WELCOME MR. SAMMUR'S PARTICIPATION IN THE LITERACY MISSION WHICH IS SCHEDULED FOR MARCH 30 TO APRIL 29, 1976 STOP. WILL ARRANGE FOR TICKETS AND TRAVEL ADVANCE TO BE DELIVERED TO HIM IN PARIS AND WILL MAKE HOTEL BOOKING RIYADH BUT EXPECT YOU TO GET VISA FROM PARIS STOP. WILL REIMBURSE UNESCO FOR SAMMUR'S TIME STOP.

THIRD

INQUIRY OF GALAL'S POSSIBLE AVAILABILITY WAS FOR DIFFERENT ASSIGNMENT TOTALLY UNRELATED TO SAUDI ARABIA STOP. WE WERE HOPING TO ASCERTAIN HIS AVAILABILITY AND IF POSITIVE WOULD THEN HAVE CONTACTED UNESCO TO FORMALIZE ARRANGEMENTS STOP. HOWEVER IN VIEW CHANGED NATURE AND TIMING OF THIS POSSIBLE OTHER ASSIGNMENT THE SPECIFIC SKILLS HE WOULD HAVE BROUGHT NO LONGER REQUIRED STOP.

FOURTH

HOPE THE ABOVE CLARIFIES PRESENT STATUS AND LOOK FORWARD TO ~~MEETING~~ MEETING YOU MARCH ELEVEN. BEST REGARDS.

ARMSTRONG , INTBAFRAD

NOT TO BE TRANSMITTED

REFERENCE: Saudi Arabia: Accelerated Literacy	AUTHORIZED BY (Name): W. J. Armstrong
DRAFTED BY: ISERAGELDIN:md	DEPARTMENT: EMENA PROJECTS
CLEARANCES AND COPY DISTRIBUTION: Cleared with & cc to: Mr. Hultin	SIGNATURE (of individual authorized to approve): <i>W. J. Armstrong</i>
cc: Ms. Reinke Mr. Riley ✓ Mrs. Stone	SECTION BELOW FOR USE OF CABLE SECTION CHECKED FOR DISPATCH:

WORLD BANK / IFC
OUTGOING MESSAGE FORM
(TELEGRAM/CABLE/TELEX)

~~26~~

XXI IDBID
 IDA
 IFC
 ICSID

TO: SIR GORDON MACKAY

DATE: MARCH 4, 1976

RIYADH

ORIGINATOR'S EXT.: 2754

COUNTRY: SAUDI ARABIA

CLASS OF TELEX
SERVICE: 20017 ALZAHRA SJ

CABLE NO. & TEXT: NO. _____

THANKSUR TELEX 123 BANK HAS DISCUSSED WITH UNESCO AND WISHES PARTICIPATION OF SAMMUR ON LITERACY MISSION MARCH 30 - APRIL 29. WE HAVE CABLED UNESCO PARIS ACCORDINGLY. IT SHOULD BE CLEAR HOWEVER THAT UNESCO PARTICIPATION IS TO BE WITHIN FRAMEWORK OF BANK AGREEMENT WITH SAUDI AUTHORITIES AS DESCRIBED IN PARAGRAPH 3.05 OF LITERACY STUDY PROPOSAL STOP. REGARDS.

ARMSTRONG

NOT TO BE TRANSMITTED

REFERENCE: Saudi Arabia: Accelerated Literacy Prog.	AUTHORIZED BY (Name): W. J. Armstrong
DRAFTED BY: I. Serageldin:md	DEPARTMENT: EMENA Projects
CLEARANCES AND COPY DISTRIBUTION: Cleared with and cc to: Mr. Riley ✓ cc: Mr. Ballantine Ms. Reinke	SIGNATURE (Of individual authorized to approve): <i>W. J. Armstrong</i>
	CHECKED FOR DISPATCH:

PINK - File Copy; WHITE - Transmittal Copy; YELLOW - Bill Copy

INCOMING TELEX

From: Riyadh

MARCH 3, 1976

1976 MAR -3 PM 4:08

~~SP~~ mlf
Saudia Arabia
Gen.

OUTGOING TELEX

''-----''

440098 IBRD INTERAD (ITT)

WASHINGTON D.C.

Distribution:
Mr. Armstrong
Mr. Riley ✓

MAR 3 1976

123 FOR ARMSTRONG COPY SERAGELDIN AND VINCENT RILEY.

REFERENCE ACCELERATED LITERACY PROGRAM HAVE JUST HAD VISIT FROM UNESCO REPRESENTATIVES DR. M.AL-MANGARA SPECIAL ADVISER TO DIRECTOR GENERAL AND DR. MOHAMED EL-SHIBINY REGIONAL REPRESENTATIVE IN THE GULF. THEY INDICATED.

AAA WISH OF DIRECTOR GENERAL UNESCO FOR CLOSE COOPERATION WITH BANK
----- IN ACCELERATED LITERACY PROGRAM STUDY. THEY ADMITTED UNESCO RECORD IN SAUDI ARABIA HAD BEEN POOR BUT THEY NOW WANTED TO IMPROVE IT, HENCE MR. SHIBINY'S APPOINTMENT. THEY HAD SEEN MINISTER OF EDUCATION AND PRICE KHALID AND BOTH HAD QUOTE NO OBJECTION UNQUOTE TO UNESCO PARTICIPATION IN STUDY.

GOVERNMENT HAS NOT ADVISED ME OF ABOVE POSITION NOR HAVE EYE
--- COMMUNICATED WITH THEM ABOUT IT.

~~TOP SECRET~~
Muslin
Hahie
Ben

CCC DR. MANGARA SAID HE HAD TRIED TO GET INFORMATION FROM WASHINGTON

RE NEXT MISSION AND UNESCO PARTICIPATION BUT HAD FAILED. NAME
OF MAN PROPOSED TO PARTICIPATE IS SAMMUR. UNESCO WANTED AS LONG
NOTICE AS POSSIBLE BECAUSE IN THEIR EXPERIENCE IT TOOK UP TO SIX
WEEKS TO GET VISAS AND BOOK ACCOMMODATION.

DDD UNESCO WOULD OBVIOUSLY SEEK BIGGER ROLE IN EXECUTION STAGE OF
ANY ALP BUT AT THIS STAGE THEY SAID THEY ONLY WANTED TO WORK
WITH BANK.

EEE EYE ADVISED DETAILS OF MISSION NOT YET KNOWN TO ME. EYE WOULD
--- SEEK CLARIFICATION FROM YOU BY TELEX AND WOULD HOPE TO GIVE
TEM A REPLY IN JEDDAH BY MARCH SIX.

REGARDS.

MACKAY

Armstrong is
handling + will
ADVISE US

Dile
UNESCO
Orange

January 22, 1975

Mr. G. Bolla
UNESCO
7 Place de Fontenoy
F 75700 Paris, France

Dear Mr. Bolla:

As I told you in our recent telephone conversation, our Department is considering undertaking a study on the social impact of tourism in less developed countries. As a first step, we retained a sociologist to review the literature on the subject in English and to draft terms of reference for the study. Given the interest of your department in the study of the social aspects of tourism, I am enclosing both the review and the draft terms of reference for your information. I am sure you appreciate the tentative nature of these documents which have not yet been reviewed by our Department. As a next step, we are considering preparing a review of the European literature and finalizing the terms of reference.

I hope that we can extend the collaboration we have established for archeological work to this new area. We may discuss this further in the course of a forthcoming trip to Europe by one of my colleagues or myself.

With best regards,

Sincerely yours,

Augusto Odone
Chief, Division II
Tourism Projects Department

Enclosure

cl w & cc: Mr. Bauchard
cc: Mr. Mitchell, Mr. Bauer

JFBauer/AOdone:vb

July 25, 1972

Mr. Douglas Gliden-Lopez
Regional Representative
United Nations Development Programme
P.O. Box 1114
San Salvador, El Salvador

Dear Mr. Gliden-Lopez:

IBRD/UNESCO Cooperative Programs

Thank you for your letter of July 5, concerning UNESCO missions under the IBRD/UNESCO Cooperative Programs.

For missions of this nature the Bank obtains the agreement of the member country by letter or cable and thereafter invites UNESCO to write to the government directly informing it of the scheduled date of arrival of the proposed mission. Occasionally, as happened in the case of Guatemala and Nicaragua, the amount of notice it is possible to give the Regional Representative is not as long as we or UNESCO would wish. As a matter of practice, UNESCO as well as Bank missions take the opportunity on their arrival in the country to contact the Resident Representative to explain the nature of the mission. While no fixed role is established for the Resident Representative, the mission may wish to seek his assistance when appropriate to its task.

I trust that this gives you the information you seek regarding the arrangements for these missions.

Sincerely yours,

Vincent J. Riley
Chief, Technical Assistance Division
Development Services Department

BHSFennell/WJRiley/eb

cc: Mr. Ballantine

cc: Mr. Manuel Jimenez - UNESCO

~~PS~~

March 2, 1976
(Mailed March 12)

Mr. Irwin Solomon
Director
Methods and Analysis Division
UNESCO
7, Place de Fontenoy
75700 Paris, France

Dear Mr. Solomon,

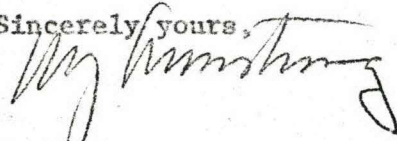
Attached herewith is the outline of the tasks to be undertaken on the amendments to the ESM within the framework of our Saudi Arabia Manpower Planning Study (Stage II). At present, we estimate that these tasks should take about ten man-weeks and require two man-missions (Paris/Washington/Paris) for discussions.

We look forward to your views on the attached materials at your earliest convenience.

In view of his interest in these matters, a copy of this letter is being sent to Mr. Najman.

With best wishes,

Sincerely yours,



W. J. Armstrong
Chief

Technical Assistance & Special Studies Division
Europe, Middle East and North Africa Projects Department

Attachments

cc: Mr. D. Najman

cc: Messrs. Ballantine, Serageldin
! Mrs. Stone, Ms. Reinke

ISerageldin:md

1 EWB
2 pl - UNESCO

Le 23 décembre 1974

Son Excellence
Monsieur Ousmane Seck
Ministre du Plan et de La Coopération
Building Administratif
Dakar
Sénégal

Monsieur le Ministre,

Comme je vous l'avais indiqué au cours de notre entretien du 4 décembre, 1974, nous nous sommes mis en rapport avec Monsieur Bolla, Directeur du Patrimoine Culturel à l'Unesco, pour discuter des possibilités de coopération entre la Banque Mondiale et l'Unesco en vue de l'exécution des études de factibilité de la rénovation de Gorée et de la construction du Musée d'Art Nègre Africain de Dakar.

L'Unesco estime que les études de rénovation de Gorée pourront être achevées en Septembre 1975, c'est-à-dire en temps voulu pour l'évaluation du projet de la Petite Côte. Nous sommes en train de revoir avec les services techniques de l'Unesco les termes de référence de l'étude pour nous assurer que ses conclusions seront directement utilisables par la mission d'évaluation de la BIRD.

En ce qui concerne les études du Musée d'Art Nègre Africain, il ne nous est pas possible d'établir un calendrier avant d'avoir étudié le rapport des experts de l'Unesco qui viennent de visiter le Sénégal. Monsieur Bolla a promis de mettre ce rapport à notre disposition avant la fin de l'année et nous ne manquerons pas de vous écrire dès que le calendrier des études du Musée d'Art se précisera.

Je me permets d'envoyer copie de cette lettre à Monsieur le Délégué Général au Tourisme.

Veuillez agréer, Monsieur le Ministre, l'assurance de ma très haute considération.

Stokes M. Tolbert
Directeur
Département des Projets Touristiques

JFBauer/pl - SENEGAL
Cleared with Messrs. Brown, Gué
cc: Messrs. Riley, Bouchard, Gué, Brown, Méda, Odone

OFFICE MEMORANDUM

TO: Files

FROM: A. Odone *AO*

SUBJECT: Meeting in Paris with UNESCO Representative

DATE: December 13, 1974

1. The Turkish Government has requested the Bank to consider financing the restoration of the archeological site of Phaselis as part of the South Antalya tourism infrastructure project. Similarly, the Senegalese Government has requested Bank financial assistance for restoration works in Goree Island and for the establishment of an African Arts museum in the surroundings of Dakar, as part of the Petite Cote tourism infrastructure project.
2. To explore the possibility of UNESCO assistance to the Turkish and Senegalese Governments in the preparation of the relevant studies, I visited UNESCO headquarters in Paris on December 6 on my way back from Tunisia. There I met with Mr. G. Bolla, Director of the Department of Cultural Heritage (Mr. Bolla and I had already met during his visit to Washington in October).
3. Mr. Bolla was quite receptive to my enquiry. In particular he said that, if requested, UNESCO would be willing to provide 3 months of services of an architect with long experience in archeological landscaping and presentation, for assisting the Turkish Government in preparing the plans for Phaselis. He also stated that he thought UNESCO would be able to complete the studies for Goree Island - which UNESCO started some time ago at the request of the Senegalese Government - by September 1975, i.e., in time for Bank appraisal of the Petite Cote tourism infrastructure project. In order to ensure that this study be in line with Bank standards, particularly as regards cost estimates, it was suggested that the Tourism Projects Department would provide UNESCO with appropriate guidelines. Mr. Bolla was not sure, on the other hand, whether the studies for the African Arts museum could be ready by September 1975. He said that he would give us a final answer by the end of December when he would receive the preliminary report from the UNESCO experts now in Senegal at the Government's request.
4. I suggested that we explore the possibility of charging the cost of the architect for Phaselis to the ongoing UNDP tourism project in Turkey (TUR/74/001) which has an unutilized balance of approximately \$7,000. As for the cost of the Goree Island study, it would be borne directly by UNESCO.
5. In the course of the meeting, the question came up of whether the proposed cooperation between UNESCO and the Bank should be handled by expanding the existing inter-agency cooperative agreement on education as to include tourism, or whether it should take place outside of it. Mr. Bolla expressed the opinion that things might move faster if the latter solution was adopted. I told him that I would relate the issue to the proper offices in the Bank and that we would let him know our views in the coming weeks.

cc: Messrs. Tolbert, Vera, Riley, van Gent, Bauer

*I've told
Odone. "Outside"
He agrees*

FD NO. 75
(2-60)

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

JUL 13 1972

INTERNATIONAL FINANCE
CORPORATION

INTERNATIONAL DEVELOPMENT
ASSOCIATION

ROUTING SLIP		Date
NAME		ROOM NO.
Mr. Ballantine Mr Ballantyne		
Mr. Seydell -		draft for
comment or possibly		you
draft reply. 17-763		consideration
		U 7/8
To Handle		Note and File
Appropriate Disposition		Note and Return
Approval		Prepare Reply
Comment		Per Our Conversation
Full Report		Recommendation
Information		Signature
Initial		Send On
REMARKS		
<p>Please advise me how to reply to the attached - or if you prefer you can reply directly.</p>		
From <i>Phy</i>		

UNITED NATIONS
DEVELOPMENT PROGRAMME



NACIONES UNIDAS
PROGRAMA PARA EL DESARROLLO

LAMEDA ROOSEVELT 2823
APARTADO POSTAL 1114
SAN SALVADOR
EL SALVADOR, C. A.

CABLE: UNDEVPRO
TELEFONO: 23-4466
TELEX-3010248

REFERENCE:

REFERENCIA: NIC/UNESCO-3053
GUA/UNESCO

5 July 1972

Dear Mr. Riley,

Subject: IBRD/UNESCO Cooperative Programme

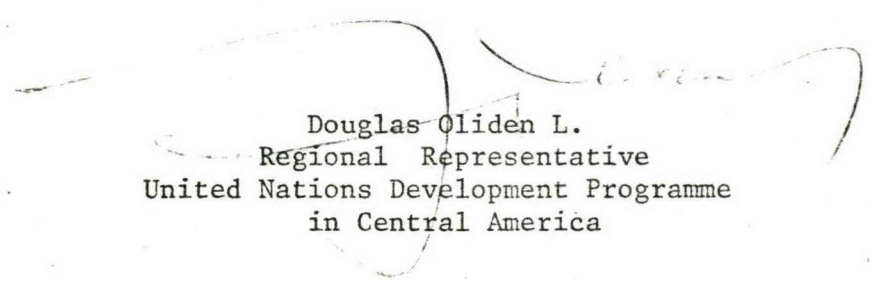
We have received two cables from UNESCO during the month of June announcing missions to Guatemala and Nicaragua under the aegis of the above Programme. In each case the cables have said that:

- a) "Banco Mundial nos informa Gobierno Guatemala (or Nicaragua) desea recibir mision UNESCO ... etc." (direct quote from cable);
- b) The mission would be arriving within less than two weeks of despatch of the cable.

The main reason for writing this letter is to ask: (a) how such missions are organised, e.g. the time between receipt of Government request and execution of mission, the preparatory steps (desk study); (b) what role, if any, the Bank would like the UNDP to play; and (c) whether we could not be advised more in advance about the missions.

With best regards,

Sincerely yours,


Douglas Gliden L.
Regional Representative
United Nations Development Programme
in Central America

Mr. Vincent J. Riley
Chief, Technical Assistance Division
Development Services Department
International Bank for Reconstruction
and Development
1818 H Street, N. W.
Washington D. C. 20433

cc: Mr. Ballantine
DSD

CC: Mr. M. Jiménez, UNESCO, Paris
Mr. G. Valdés, PNUD, N. Y.

JUL 12 1972

EXECUTIVE BOARD

J. A. R. 7
EX

2. EWB *File*

Ninety-third Session

93 EX/25
PARIS, 10 August 1973
Original: English

Item 6.2 of the Provisional Agenda

CO-OPERATION WITH THE UNITED NATIONS DEVELOPMENT PROGRAMME

SUMMARY

The Director-General reports on the proceedings of the 16th session of the Governing Council of UNDP, and on the regional meeting of Resident Representatives for Africa.

A. INTRODUCTION

1. In accordance with resolution 5.41 adopted at the seventeenth session of the General Conference, the Board was informed at its 92nd session of problems and difficulties encountered in the country programming exercises (doc. 92 EX/23). The resolution adopted by the Board following its discussion of the subject (92 EX/Decision 5.2) was subsequently conveyed to the Administrator of UNDP. Some of these problems were discussed at a series of meetings at Unesco Headquarters with UNDP Assistant Administrators for Latin America, Africa and Asia and the Far East. At the 16th session of the Governing Council the Administrator informed the delegates of his intention to undertake a mid-term review of the country programming exercise in 1974.
2. In his address to the fifty-fifth session of ECOSOC in July 1973, the Director-General discussed present trends and aspects of development of concern to Unesco. The full text of his speech will be available to the Board in English and French as an information document.

B. 16th SESSION OF UNDP GOVERNING COUNCIL

3. The 16th session of the Governing Council took place in Geneva from 6 to 28 June 1973. The Council approved 24 country programmes, (1) representing a UNDP allocation of about \$260 million, the indicated costs of projects which might be entrusted to being roughly \$33.7 million, or approximately 13% (as compared with 12% of the country programmes approved by the Council in January 1973).
4. In addition, the Council took note of 148 large-scale projects approved by the Administrator between 1 November 1972 and 31 March 1973. The total UNDP funds involved were \$10.2 million. Unesco will be executing 17 of these projects, amounting to \$7,906,000 (the list of these projects appears in Annex I). The Administrator's authority to approve projects for all countries was extended until the end of 1976, i.e. for the full period covered by the current indicative planning figures.
5. The Council reviewed the criteria to be followed in calculating indicative planning figures (IPF); it could not reach a final consensus but adopted a text which provides the Administrator with certain guidelines on which he is to base new proposals to be presented to the seventeenth session (January 1974) of the Council. The main characteristics of the guidelines are the following:

-
- (1) Africa: Botswana, Congo, Rwanda, Sierra Leone, Swaziland, Upper Volta.
- Asia: Afghanistan, Iran, Maldive Islands, Pakistan, Papua, New Guinea.
- Europe and the Middle East: Lebanon, Morocco, Romania, Turkey, Sudan.
- Latin America: Barbados, Bolivia, Dominican Republic, El Salvador, Guyana, Mexico, Paraguay, Uruguay.

- (a) The basic criteria for calculating IPFs shall be per capita GNP and population, complemented as appropriate by certain supplementary criteria such as: special needs of newly independent or land-locked countries; the magnitude of the country's development effort; the country's cumulative debt burden; the effort being made to coordinate UNDP resources with the national development plan, etc.
- (b) the least developed countries shall obtain at least 25% of total resources available for country IPFs, and the position of all other countries at the lower end of the per capita GNP scale shall be significantly improved;
- (c) the IPFs for all recipient countries shall not be reduced below the 1972-1976 levels;
- (d) countries with relatively high per capita GNP should have no increase in their IPFs, and countries at the upper end of the GNP scale should gradually become net contributors;
- (e) 92.5% of the resources available for country IPFs shall be apportioned according to the basic method for calculating IPFs, while 7.5% shall be distributed by the Administrator according to the supplementary criteria mentioned above.

6. For the first time the Council undertook an examination of the proposed programme of work of the United Nations Fund for Population Activities (UNFPA). It welcomed the system of a rolling plan outlining the broad activities of the Fund over the next three years and an annual programme submission to the Council for approval. The Executive Director of the Fund was authorized to programme up to the amount of \$108 million for the period 1973-1976, on the understanding that certain types of projects would be submitted to the Council for prior approval.

7. The activities of the United Nations Volunteers were reviewed by the Council. At the present time, only 157 volunteers (8 of which on Unesco projects) are in the field, while the programme's objective is to increase the volume of operations to about 500 volunteers over the next three years. In future, it is proposed to concentrate on teams of volunteers to be sent to a limited number of countries, particularly those designated as least developed. The Administrator announced that he had agreed to explore with Unesco, and possibly other agencies, the possibility of providing assistance to a few pilot projects involving domestic volunteer services; two such projects suggested by Unesco are now in the final stage of approval in consultation with the governments concerned.

8. The Council authorized the Administrator to use \$5 million over the period 1973-1976 for aid to Sudan-Sahelian countries stricken by drought, in addition to the \$3.7 million allocated to the emergency well-digging programme undertaken jointly with UNICEF.

9. Among the budgetary, financial and administrative matters discussed by the Council, the following should be mentioned:

- (a) the establishment, within the UNDP Secretariat, of a Division of Projects Execution, for direct execution of projects by UNDP. The Division is to be financed exclusively from the overhead costs derived from the

directly executed projects. These would include interdisciplinary and multi-purpose projects, projects which do not fall within the competence of any individual agency, projects requiring general management rather than expert sectoral advice, and projects to which UNDP could give special assistance in the form of particular financing or investment follow-up arrangements.

- (b) The strengthening of the UNDP Office in Addis-Ababa (which is to deal also with ECA) inter alia by upgrading the post of Resident Representative to the level of Assistant Administrator with the title of Regional Representative.
- (c) The continuation of present overhead arrangements on to 1974 were approved, pending the completion of the report on the cost measurement system, to be submitted to the Council at its eighteenth session in June 1974. After the cost measurement system has been put into effect, the Administrator is to present a further study on the proposal to merge budgetary allocations for agency overhead costs with IPF's.

C. REGIONAL MEETING OF RESIDENT REPRESENTATIVES FOR AFRICA

10. The meeting took place in Addis-Ababa from 27 June to 4 July 1973 with participation of representatives of Unesco and other Specialized Agencies. Increased co-operation with the Economic Commission for Africa (ECA) was one of the main themes of discussion.

11. The results of UNDP/ECA negotiations can be summarized as follows:

- (a) At both the programme and project formulation stages, ECA will, at least initially, limit its interest to inter-country proposals, and will be concerned only with those country projects which have a clear and direct relationship to inter-country activities. It will comment on all inter-country project proposals for Africa regardless of the point at which they are initiated. ECA may also initiate itself project proposals for inter-country projects.
- (b) At the project execution stage, ECA may be asked to administer selected inter-country projects in Africa, either itself as executing agency, or in association with another agency. Projects for direct ECA execution will initially be selected from amongst those which are at the same time inter-country and multidisciplinary.
- (c) Finally, at the evaluation and follow-up stage ECA may be asked by UNDP to assist in impact evaluation studies of selected inter-country projects and to participate in any broad programme evaluation exercises in Africa.
- (d) All newly assigned representatives in Africa will visit Addis-Ababa en route to their posts, or as soon as practical after assumption of their duties, for the purpose of briefing sessions with ECA and with the UNDP Regional Representative.

This is misleading - inaccurate

EW - Is this actually referring to our projects now e.g. Sotogou - Darassala

No - only inter-country projects EW

12. The UNDP Assistant Administrator for Africa took this occasion to urge executing agencies to review and strengthen their co-operative arrangements with the Economic Commission.
13. The Executive Board may wish to adopt a resolution along the following lines:

"The Executive Board,

1. Having reviewed the Director-General's report on co-operation with the United Nations Development Programme (93 EX/25),
2. Invites the Director-General to continue this co-operation and to report regularly to the Executive Board."

ANNEX IUnesco large-scale projects approved by the Administrator
from 1 November 1972 to 31 March 1973AFRICA

MALI

UNDP contributionNational School of Engineering
(MLI/71/517)\$
405,000

NIGERIA

Centre for Design, Production, Maintenance and
Repair of Scientific Instruments
(NIR/71/549)

985,400

Institute of Mass Communication,
University of Lagos
(NIR/72/006)

566,500

Advanced Teacher Training College, Owerri (Phase II)
(NIR/72/021)

869,500

National Technical Teachers College, Lagos (Phase II)
(NIR/72/027)

437,400

ASIA AND FAR EAST

AFGHANISTAN

Integrated Educational Development
(AFG/72/004)

857,100

INDIA

Television Production and Studio
Technical Oper. Training Centre
(IND/70/602)

254,500

INDONESIA

Development of Higher Education Centres of Excellence
(INS/72/045)

187,500

LAOS

Sec. School Teacher Training (Supl. Assistance)
(LAO/71/504)

246,200

MALAYSIA

UNDP contribution

\$

Agric. Science Teacher Training (Supl. Assistance) (Mal/71/007)	187,400
Ungku Omar Polytechnic, Ipoh (Sup. Ass.) (MAL/68/518)	248,700

THAILAND

Promotion of Teaching Science & Technology (Phase II) (THA/72/029)	921,100
---	---------

EUROPE, MEDITERRANEAN AND MIDDLE-EAST

SUDAN

Work-oriented Adult Literacy Project (Sup. Ass.) (SUD/68/527)	179,700
--	---------

LATIN AMERICA

BRAZIL

Centre for Applied Hydrology (Supp. Ass.) (BRA/67/527)	421,300
---	---------

COSTA RICA

Audio-visual Communications (COS/72/001)	186,200
Development of the Central American School of Geology (COS/72/003)	243,400

VENEZUELA

System of Engineering Education for Industry (VEN/71/531)	710,000
	<hr/>
	7,906,900



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
Cable Address - INTBAFRAD



INTERNATIONAL DEVELOPMENT ASSOCIATION
Cable Address - INDEVAS

1818 H Street, N.W., Washington, D. C. 20433, U.S.A.
Area Code 202 • Telephone - EXecutive 3-6360

September 23, 1971

Mr. Myer Cohen
Assistant Administrator in charge of the
Bureau for Programme Co-ordination
United Nations Development Programme
United Nations, New York 10017

*investment & Fu
Reports dist
→ coop prog. files
UNCOB*

Dear Myer:

In a letter of July 9 to Mr. McNamara, Mr. Hoffman asked that UNDP receive some of the reports prepared by our Cooperative Programs with a number of Specialized Agencies. These concerned investigations undertaken by the Cooperative Programs based on data developed by UNDP projects. In acknowledging this letter on July 19, I indicated that we would write again after we had looked further into the matter.

We have now had an opportunity to do this, and I am pleased to report that the Bank on its part is fully agreeable to your receiving copies of these reports. In each case the reports are prepared by the agency, and you may wish to make specific arrangements with them for the reports' transmittal. The situation is somewhat different in each of the three agencies, and I am therefore elaborating on this below:

1. FAO. Many of the UNDP projects with investment potential are not the subject of separate reports by the Cooperative Program. Rather, the Cooperative Program works with the substantive divisions of FAO to ensure that investment criteria are adequately covered in the UNDP project studies themselves. The reports of these studies are, of course, sent to UNDP under its regular reporting arrangements. There are a few cases in which the Cooperative Program undertakes a study which is a direct follow-up of a UNDP-financed project. In our practice the report of the Cooperative Program mission is reviewed in draft form by the Bank, after which, if the report is acceptable, we authorize its transmittal to the government. The Bank would have no objection to your receiving such reports simultaneously with their transmittal to the government. We will discuss this further with Mr. Huyser, the Director of the FAO/IBRD Cooperative Program, when he is in Washington next week, and we will advise you if there are any further points to be considered in this regard.

2. UNESCO. So far the Cooperative Program has not investigated any projects essentially based on data developed in a UNDP study. During the last review meeting with Unesco in April 1971, we agreed

Mr. Myer Cohen

2

September 23, 1971

that the Cooperative Program staff should give particular attention to UNDP-assisted projects executed by Unesco as a possible basis for identification of Bank/IDA projects. When these efforts reach fruition, we will see that UNDP receives copies of the relevant reports. We have discussed this matter with Mr. van Vliet, Director of the Educational Financing Division of Unesco, and he has indicated agreement with the proposal.

3. WHO. At the present time our Cooperative Program with WHO does not include follow-up studies on UNDP-financed activities. However, should a Cooperative Program investigation develop out of a UNDP project, we agree that UNDP should receive any reports promptly, and we will arrange this with WHO at that time.

We trust that these arrangements will meet UNDP's needs, but if not we will be happy to discuss the matter further with you or your associates.

Sincerely yours,



Richard H. Demuth
Director

Development Services Department

VJRiley:cbh

Cl. and cc: Mr. Calika
Mr. Dumoulin
Mr. Armstrong

SPEARS

JUNE 19, 1970

FOODAGRI

NLT

ROME

ITALY

327

ONE CHILE ACONCAGUA STOP GRATEFUL HYDE ARRANGEMENTS ALTERED STOP HOWEVER AS INDICATED OUR EARLIER CABLE HYDE EXPECTED TO BE AVAILABLE JOIN CHILE MISSION BY ABOUT JULY 20.

TWO INDONESIA SUGAR SURVEY PROPOSAL UNDP STOP HAVE RECEIVED YOUR COMMENTS AND WOULD APPRECIATE INDICATION IF THIS ALREADY DESPATCHED UNDP STOP ROWE HAS GRAVE DOUBTS THIS MEMO AND REQUESTS YOU CONFIRM CONTENTS REPRESENTING OFFICIAL CP VIEWS.

THREE CP BROCHURES STOP WOULD APPRECIATE EARLY RECEIPT 50 COPIES/FOR USE EDI. IN ENGLISH

FOUR REURCAB 627 SENEGAL STOP OTTEN CANNOT BE AVAILABLE FOR FULL MISSION STOP DO NOT CONSIDER BRIEF VISIT WORTHWHILE SO NOW PROPOSE HE DOES NOT PARTICIPATE.

VERAART

3415

M. VERAART

AGRICULTURE PROJECTS

MVeraart sr tk

1. CC: Mr. Bartsch, Mr. van Nimmern
2. CC: Mr. Rowe, Mr. Rikey ✓
4. CC&C: Mr. Haynes

JUN 22 1970

OFFICE MEMORANDUM

~~EF~~
~~VJR~~
FYI

TO: Messrs. Bernard Chadenet and M. L. Hoffman

DATE: September 11, 1969

FROM: D. S. Ballantine D.S. Ballantine

SUBJECT: Annual Report to the Executive Directors on Unesco/FAO Activities under the Cooperative Programs - Education Projects

Co 107
program

Attached is a draft which we propose for inclusion in the Secretary's memorandum to the Executive Directors on the above subject. I would appreciate having your comments.

cc: Messrs. Baum
Evans

OHC:alika:ec

Memorandum to the Executive DirectorsThe Unesco Program

The volume of work under the Cooperative Program increased sharply in the 1968/69 fiscal year. Unesco led 13 project identification missions (against 4 in the previous year) and 7 project preparation missions (against 5 in the previous year). The number of reconnaissance missions in which Unesco staff participated--7 in 1968/69--almost doubled. Bank/IDA lending for education projects amounted to \$81.8 million in 10 member countries, against \$24.5 million in 5 countries in the previous fiscal year. This increase was possible partly because of the assistance given by Unesco to member governments in project identification/preparation work.

Close cooperation and harmonious relations between Bank/IDA and Unesco were maintained throughout the last fiscal year. Frequent consultations between the two institutions were held at various levels and covered a wide area of activities, including periodic review meetings to coordinate mission planning, discussions on appropriate project identification and preparation guidelines to meet the demands of the increased workload, and "workshop" meetings among the economists and architects of both institutions to help develop common criteria and techniques for the evaluation of high-priority projects and appropriate school-building standards.

To cope with a larger and more diversified volume of work expected under the Cooperative Program this year, the Bank has agreed to a Unesco request for an increase of 6 in the professional staff of Unesco's Educational Financing Division. This will bring the strength of the Division to 29 by December 31, 1969. To cover its share of the Program's increased operating costs, the Bank will reimburse Unesco up to a maximum of \$866,000 in the 1969/70 fiscal year, against actual reimbursements of \$530,000 in

*Current budget provides
that we*

1968/69. With the additions to its staff, the Unesco Educational Financing Division should be in a position to undertake about 16 project identification and 16 project preparation missions a year and should increase its participation in the reconnaissance and economic missions organized by Bank/IDA. With greater emphasis in Bank/IDA lending on educational innovation and reform and the development of modern teaching technology at various levels, the planning and implementation of education projects may require a greater amount of technical assistance than in the past, to be financed in appropriate cases by Bank/IDA. Participation by Unesco and other suitable agencies in this activity is also expected to increase in the course of the next few years.*

Agricultural Education and Training

Contribution by FAO to identification and preparation of agricultural education and training projects continues to expand. Assisted by Bank/IDA personnel, FAO staff led two project preparation missions during the 1968/69 fiscal year. They also participated in 6 missions (same as in the previous year) led by Unesco or by Bank/IDA. There are, at present, 3 specialists in FAO who are assigned to work on agricultural education and training projects.

The Education Projects Department
September 11, 1969

FORM NO. 75
(1-76)

THE WORLD BANK

ROUTING SLIP		DATE:
		April 3, 1969
NAME		ROOM NO.
Mr. Demuth		
	APPROPRIATE DISPOSITION	NOTE AND RETURN
	APPROVAL	NOTE AND SEND ON
	CLEARANCE	PER OUR CONVERSATION
	COMMENT	PER YOUR REQUEST
	FOR ACTION	PREPARE REPLY
	INFORMATION	RECOMMENDATION
	INITIAL	SIGNATURE
	NOTE AND FILE	URGENT
REMARKS:		
<p>1) Timing for Ecuador - No legal deadline but this step is already behind schedule and any further delay will hold back implementation of that part of the project.</p> <p>2) Mario Piccagli states that whenever consultants are required the Bank always requires approval by Bank. Moreover in evaluating the consultant firm's proposal we give only 20% weight to the firm's name and reputation and 80% to other factors with emphasis on the individuals nominated.</p>		
FROM:	ROOM NO.:	EXTENSION:
D.S. Ballantine		

April 4, 1969

Mr. Rene Maheu
Director-General
United Nations Educational,
Scientific and Cultural Organization
9 Place de Fontenoy
Paris VIIe, France

Dear Mr. Maheu:

I am writing, as you suggested when we met in Geneva last week, concerning the matter of cooperation between Unesco and the Bank/IDA in connection with the provision of technical assistance in the execution of Bank-financed education projects. As I told you, we should very much like to work out arrangements under which our borrowers would be able, in appropriate cases, to avail themselves of Unesco's technical assistance; indeed, this is contemplated in the agreement governing the cooperative program.

In all cases of Bank-financed projects, whatever the sector, where we feel it necessary to require the borrower to employ advisers to help carry out the project, it is our policy to include in the loan or credit agreement a provision to the effect that, except as the Bank shall otherwise agree, the advisers shall be acceptable to the Bank and that the terms of their employment shall be satisfactory to the Bank. These agreements are approved by the Executive Directors on the understanding that the Bank's staff will review the arrangements for advisers in such manner and to such extent as to satisfy themselves that the project will be effectively executed. This review is regarded as a serious responsibility to be discharged by the Bank's own staff and not by any outside organization, however competent.

I am aware that this standard provision in our loan/credit agreements raises a difficult issue of principle for Unesco.

Mr. Rene Maheu

-2-

April 4, 1969

However, I feel confident that we can work out some arrangement which will satisfy the substance of the Bank's requirements without derogating from Unesco's position as the international organization with primary responsibility and expertise in the field of education. We would welcome any suggestion you may have for such an arrangement and would be prepared to enter promptly into consultations with you, or any officer you may designate, to arrive at an appropriate solution for this important problem.

You asked about the timetable for the Ecuadorian project in connection with which this issue was first raised and which has been the subject of an exchange of letters between Messrs. Ballantine and van Vliet. I am informed that no legal deadline is involved, but that the stage of the project for which Unesco's technical assistance has been sought is already behind schedule and that any further delay would postpone implementation of that part of the project

With kind personal regards,

Sincerely yours,

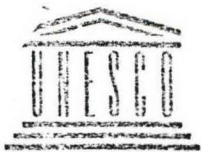
Richard H. Demuth
Director
Development Services Department

SEBoskey:tsb

Cleared with Mr. Sella

Cleared with and cc: Mr. Ballantine

Lias - 6/UNESCO



united nations educational, scientific and cultural organization
organisation des nations unies pour l'éducation, la science et la culture

place de Fontenoy, Paris-7^e

The Director-General

reference : DG/L.3/8050/2/2556

20 June 1969

Dear Mr. Demuth,

I should like to thank you for your letter of 4 April 1969 on the subject of co-operation between our two Organizations in the provision of technical assistance for Bank-financed projects in the field of education, which the spring session of the Executive Board and a subsequent official visit to Yugoslavia have prevented me from replying to earlier.

In your letter you outlined clearly the Bank's position and policies, which I fully appreciate. In return, I should first like to make Unesco's position quite clear before going on to suggest a way of reconciling the conflicting requirements of our two Organizations.

Briefly, in the United Nations system the provision of technical assistance in the field of education is the responsibility of Unesco. That responsibility is exercised vis-a-vis its Member States through its Regular programme and through the United Nations Development Programme and was emphasized strongly by myself in the negotiations leading to the 1964 agreement between the Bank and Unesco. In no circumstances could Unesco agree that its views on technical matters, including the competence of educational experts, should be subject to the approval of the higher instances of any other institution not specialized in education.

However, having said this, I recognize that there are a number of practical difficulties involved, and it is to overcome these that I should like to suggest the following arrangements, which I think would permit effective co-operation while safeguarding our respective positions:

.../

Mr. Richard H. DEMUTH
Director
Development Services Department
International Bank for Reconstruction
and Development
1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

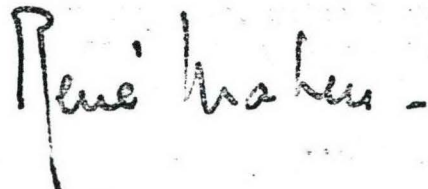
Act. July 18.

- (a) The President of the Bank and the Director-General of Unesco should agree on a set of criteria covering the types and levels of expert that might be provided by Unesco (and financed by the Bank), as well as on their terms of employment;
- (b) On the basis of those criteria, the Secretariats of the Bank and Unesco would establish a joint roster or panel of experts in each field of specialization (general education, planning, technical education, etc.) and by regions. The experts included in this roster would be regarded as having the Bank's approval;
- (c) As and when the need arose, the Secretariat of Unesco would select from the roster the names of one or more candidates and submit them to the Government concerned for its approval;
- (d) In doing so, the Secretariat of Unesco would indicate to the Government that the experts proposed were submitted in agreement with the Bank.

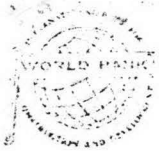
I am aware that a number of other questions, relating inter alia to the administration of technical assistance, will also have to be settled. But if something along the lines indicated above could be agreed in principle, the actual details could be worked out subsequently by our two Secretariats.

I look forward to seeing you either here in Paris or in Geneva at the beginning of July, when we will have an opportunity, I hope, to finalize our agreement.

Yours sincerely,



René Maheu



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Call Address - ISTRIBREAD



INTERNATIONAL DEVELOPMENT ASSOCIATION

Call Address - INDEVAS

1818 H Street, N.W., Washington, D. C. 20433, U.S.A.

Area Code 202 • Telephone - Executive 3 6360

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Geneva, 8 July 1969

Memo to: Files

From: Richard H. Demuth *RHD*

Subject: Meeting with Mr. Adiseshiah, 8 July 1969

1. I met this afternoon with Malcolm Adiseshiah, Deputy Director-General of Unesco. The first subject we discussed was the Bank's program for annual economic missions to the larger developing countries and for missions on a two to three year basis to the other developing countries. I informed Mr. Adiseshiah of the intended scope of these missions, which would include an appraisal of the economic prospects of the country, of its economic performance and of its development program, and an estimate of its external assistance requirements, including both financial and technical assistance. I added that we intended to include in the report of all such missions a special chapter on pre-investment priorities; in order to ensure that whatever pre-investment work was necessary for the investment program was carried out.

2. Mr. Adiseshiah said he warmly welcomed this initiative on the part of the Bank and he was sure Unesco would cooperate. He pointed out that this program would give the Bank a central position in the whole United Nations development effort; he thought that this was right and proper. He suggested, however, that we should be sure to have the support of U Thant and Mr. de Seynes, on the one hand, and of Paul Hoffman on the other. Mr. Adiseshiah added that he believed this kind of program was precisely what the international development effort needed and that it should obviate the necessity for any more program missions of the kind now being mounted by the UN Department of Economic and Social Affairs and to which Unesco (and the Bank) have vigorously objected. He said he was in constant communication with Mr. Maheu, who is ill in the south of France, and that he would mention this matter to Mr. Maheu on the telephone this evening.

3. The second matter we discussed was Mr. Maheu's letter to me of June 20 concerning the provision of technical assistance by Unesco for Bank financed educational projects. In that letter Mr. Maheu suggested the establishment of a joint roster to be approved by both Unesco and the Bank, and the selection from the roster by Unesco of candidates to fill technical assistance positions in Bank financed projects. Unesco proposed that when it put forward names from the roster, it should be authorized to indicate that the names were submitted in agreement with the Bank.

4. In discussing this matter with Mr. Adiseshiah, it quickly became clear, as I had suspected, that this proposal was simply a convenient device by which Unesco could agree to submitting candidates for specific posts to the Bank for approval without appearing to do so. Mr. Adiseshiah said that the roster, in the first instance, would consist only of experts whom Unesco intended to propose for the Ecuador project, with perhaps one or two others. If we approved the inclusion of these experts on the roster, Unesco would then submit their names to Ecuador as having our approval. When another case arose, additional experts would be added to the list who were destined for that particular Bank financed project, and so forth.

5. I told Mr. Adiseshiah that the proposal, as explained by him, seemed to me a very ingenious device to get over what had appeared to be a substantial conflict of principle. I added that, when I returned to Washington, I would write to Mr. Maheu agreeing to the proposal and suggesting that instead of trying to formalise the arrangement, we should try it out for a year or so on an informal basis. Mr. Adiseshiah thought that this would be agreeable and added that he would also report on the matter to Mr. Maheu.

cc: Mr. McNamara
President's Council
Mr. Ballantine

Your ref.: DS/L.3/8050/2/2556

July 18, 1969

Mr. Rene Maheu, Director-General
United Nations Educational, Scientific
and Cultural Organization
place de Fontenoy
Paris 7^e, France

Dear Mr. Maheu:

Thank you for your letter of June 20, in which you suggest a procedure for reconciling the conflicting requirements of our two organizations in connection with the provision by Unesco of technical assistance for Bank-financed projects in the field of education. As you know, I had an opportunity to discuss the proposal contained in your letter with Mr. Adiseshiah in Geneva.

I am now writing to say that the Bank believes that the arrangements suggested by you will in all likelihood provide a satisfactory solution to the problem. Since this is a new departure for both of our organizations, however, I suggest that we try out the proposed arrangements for an experimental period of, say, a year without attempting to formalize them. I made this suggestion to Mr. Adiseshiah and he seemed to feel that it would be acceptable to you.

Assuming that we go ahead on this basis, I think we should promptly activate the arrangements for purposes of the Bank-financed Ecuadorean project for which Unesco's technical assistance has been sought.

I was sorry not to have seen you in Geneva, particularly because of the reason for your absence. I hope that by now you have fully regained your health. With kind regards,

Sincerely yours,

Richard H. Damath
Director

Development Services Department

RHD:tf

cleared with and cc: Mr. Ballantine

AR
SOS
RHS

OFFICE MEMORANDUM

TO: Mr. Richard H. Demuth

DATE: October 13, 1967

FROM: D. S. Ballantine *DSB*

SUBJECT: Bank/Unesco Review Meeting

We understand from Ricardo Diez-Hochleitner that UNDP has approached Unesco and has written you about the possibility of participating in our forthcoming country review meetings with Unesco. Diez-Hochleitner feels, and I concur, that it would be useful to meet with them but not as participants in the review itself. We would suggest rather that we set up a separate session to discuss with them problems of mutual interest which have arisen during the Bank/Unesco country review.

Handy based

*Rec'd 10/18/67
Discussed w/ Ballantine
& called UNDP - (Kenneth Lalle)
& invited UNDP to send somebody
to the session concerned w/ the Project in question
& other matters of mutual interest
probably the afternoon of Nov-8th - Lalle
appreciated the invitation & explained he was
going to be abroad & could not himself
attend & was uncertain whether anybody
else would - He would discuss it with
his "first office" & if UNDP wants to
participate we will be notified by
letter - I advised Ballantine of above &
he thought this satisfactory
DSB
10/18/67*

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

REPORT AND RECOMMENDATIONS OF THE PRESIDENT
TO THE EXECUTIVE DIRECTORS ON
PROPOSED COOPERATIVE ARRANGEMENTS
WITH UNESCO AND FAO

1. As the Executive Directors are aware, representatives of the Bank/IDA have recently discussed with representatives of the United Nations Educational, Scientific and Cultural Organization (Unesco) and of the Food and Agriculture Organization of the United Nations (FAO) the possible scope and nature of cooperative efforts in the fields of education and agriculture.
2. Working arrangements setting forth the basic principles to govern the proposed cooperative relationships between the Bank/IDA and each of the other organizations have been provisionally agreed at the staff level. They have been incorporated in two draft memoranda of understanding, one between the Bank/IDA and Unesco and the other between the Bank/IDA and FAO (Annexes A and B to Appendix I). The two agreements are broadly comparable, with the exceptions noted in the succeeding paragraphs.
3. The Bank/IDA have had considerable experience in the identification and preparation of projects in the agricultural field and have built up a sizeable staff of agricultural experts which they propose to retain. Bank/IDA activity in the educational sector, on the other hand, has been relatively limited and of recent origin, and has been carried on with a small staff which it is not now proposed to expand significantly. In recognition of these differing circumstances, the Memorandum of Understanding with FAO contemplates that both the Bank/IDA and FAO may take the initiative in assisting governments to identify and prepare agricultural projects, whereas the Memorandum of Understanding with Unesco contemplates that, as between the two organizations, primary responsibility for project identification and for assistance in project preparation will reside with Unesco.
4. The arrangements for each organization contemplate that certain specified costs incurred by it for work under the cooperative program will be shared equally by the Bank/IDA and the organization concerned, up to a ceiling figure to be agreed upon from time to time. For an initial period, at least, any excess of costs over the ceiling figure will be borne by the Bank, up to a stipulated maximum. The provisions of the two agreements with respect to cost-sharing, however, differ in two respects, owing to the differing budgetary circumstances of Unesco and FAO.
5. For both organizations, the ceiling figure had to be arbitrarily low for the period during which the amount of each organization's contribution had to be fitted into its current budget, which was adopted prior to the negotiation of the cooperative arrangement with the Bank and made no provision for the program. In the case of Unesco, the current budgetary biennium ends on December 31, 1964. Therefore only one year's contribution to the cooperative program had to be found within the current budget. The maximum contribution which the Director-General of Unesco felt that he could make under that budget was \$75,000, and the Unesco Memorandum of Understanding accordingly specifies

for the cooperative program a ceiling figure of \$150,000 for 1964. FAO, on the other hand, is currently operating under a budget which covers the years 1964 and 1965, so that there was a two-year transitional period for which FAO's contribution had to be found within the limitations of the existing budget. The maximum contribution which the Director-General of FAO felt that he could make under that budget was \$200,000, and the FAO Memorandum of Understanding accordingly specifies for the cooperative program a ceiling figure of \$400,000 for the biennium 1964 and 1965.

6. As for the future, recommendations for Unesco's next budgetary biennium, 1965 and 1966, had to be submitted by the Director-General of Unesco at the beginning of 1964. It was therefore necessary to reach prompt agreement upon the maximum contribution to be made by Unesco to the costs of the cooperative program during 1965 and 1966. That agreement is reflected in the Unesco Memorandum of Understanding, which specifies for the cooperative program ceiling figures of \$600,000 and \$700,000, respectively, for those years. On the other hand, the estimates for FAO's next budgetary biennium, beginning in 1966, need not be formulated until the latter part of 1964. The ceiling figure to be applicable to the cooperative program during FAO's next budgetary biennium did not, therefore, have to be agreed upon now; it can be fixed in the light of experience under the cooperative arrangements during the current year. Accordingly, the FAO Memorandum of Understanding, in contrast to the Unesco memorandum, does not specify a ceiling figure for FAO's next budgetary period, that is, for 1966 and 1967.

7. I believe that conclusion of both these agreements would be in the interests of the Bank and IDA, and accordingly I recommend their approval by the Executive Directors. The General Counsel has advised that, under the Articles of Agreement of the Bank and of IDA, these agreements must also be submitted for the approval of the Board of Governors, but that there is no objection to the proposed temporary arrangements referred to in paragraph 8 below, pending the action of the Boards of Governors. A draft of a proposed report from the Executive Directors of the Bank and of IDA to the Boards of Governors of the Bank and of IDA is therefore attached as Appendix I, recommending that the Boards of Governors approve the two agreements (Annexes A and B to the draft report) and adopt the draft resolutions to that effect (Annexes C, D, E and F to the draft report). It will be noted that the agreements are by their terms likewise subject to the approval of the appropriate inter-governmental bodies of Unesco and FAO. It is my understanding that the agreements will be considered at the next sessions of these bodies, in June 1964 in the case of the Unesco Executive Board, in October 1964 in the case of the Council of FAO.

8. Provision has been made for cooperation between the Bank/IDA and each of the other organizations along the lines of the proposed working arrangements on an informal and interim basis, pending the requisite formal approvals. If the Executive Directors approve, I propose to take the steps necessary to initiate such informal cooperation with both organizations. In the case of FAO, this means signing the Memorandum of Understanding and transmitting it

for signature by the Director-General of FAO, who has informed me that he is likewise prepared to sign. In the case of Unesco, it would mean an exchange of letters with the Director-General of Unesco. For the information of the Executive Directors, Appendix II contains the text of the proposed exchange of letters with the Director-General of Unesco, together with a proposed letter to the Director-General of FAO, transmitting the FAO Memorandum of Understanding.

9. Liaison between the Bank/IDA and Unesco would be achieved through the Unesco Washington Liaison Office and the European Office of the Bank/IDA in Paris. Liaison between the Bank/IDA and FAO would be achieved through the Representative of the Director-General in North America, who is stationed in Washington, and a Bank/IDA Liaison Representative whom I propose, as noted in the proposed letter to FAO, to station at FAO headquarters in Rome. The Director-General of FAO has indicated that he would welcome the appointment of such a liaison representative, who would also maintain liaison in our behalf with the World Food Program.

10. I therefore recommend that the Executive Directors

- (a) authorize me, pending formal approval by the Boards of Governors, to sign the Memorandum of Understanding with FAO on behalf of the Bank/IDA and to initiate the exchange of letters with Unesco; and
- (b) submit to the Boards of Governors the attached Report (Appendix I), recommending that the proposed agreements with Unesco and FAO be approved.

Washington, D. C.
March 2, 1964

George D. Woods
President

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~~CONFIDENTIAL~~
WBG ARCHIVESR 64-26
IDA/R64-6(for consideration on
March 10, 1964)

March 3, 1964

**FOR
EXECUTIVE
DIRECTORS'
MEETING**

FROM: The Secretary

PROPOSED ARRANGEMENTS WITH UNESCO AND FAO

Attached for consideration at a joint meeting of the Executive Directors of the Bank and IDA to be held on Tuesday, March 10, 1964, is the President's Report and Recommendations on the proposed cooperative arrangements with Unesco and FAO.

The following documents are attached to the President's Report and Recommendations:

APPENDIX I -

1. Draft Letter of Transmittal.
2. Draft Report of the Executive Directors to the Boards of Governors.
3. ANNEX A - Agreement with Unesco.
4. ANNEX B - Agreement with FAO.
5. ANNEXES C-F - Draft Resolutions.

APPENDIX II -

6. Proposed Letters to be exchanged with Unesco, and draft Letter to FAO.

It is recommended that:

- (a) the Secretary dispatch the attached letter, Executive Directors' Report and proposed resolutions to all members for consideration by the Boards of Governors;
- (b) a vote of the Boards of Governors be taken without meeting, and the requirement that no Governor vote on the resolutions until seven days after their dispatch be waived;
- (c) the Secretary canvass the votes and report thereon to the Executive Directors;
- (d) the effective date of the resolutions be the last day allowed for voting; and
- (e) the Secretary take such further action as he deems necessary or appropriate to carry out the purposes of this vote.

Distribution: Executive Directors and Alternates
President
Vice Presidents
Department Heads

Coop.
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DECLASSIFIED CONFIDENTIAL

NOV 06 2018 R67-37

WBG ARCHIVES March 28, 1967

FROM: The President

PROPOSED AMENDMENTS TO THE MEMORANDUM
OF UNDERSTANDING WITH RESPECT TO WORKING
ARRANGEMENTS BETWEEN UNESCO AND THE BANK/IDA

1. Attached is the draft of a proposed report from the Executive Directors of the Bank and IDA to the respective Boards of Governors, recommending (a) approval of amendments to the Memorandum of Understanding between Unesco and the Bank/IDA concerning the cooperative program, to modify the cost-sharing provisions of the Memorandum, so that Unesco and the Bank/IDA would, as of January 1, 1967, share costs in the proportion of 25%:75%, respectively, rather than equally, and also to take account of a change in Unesco terminology, and (b) adoption of draft resolutions to that effect. The draft report describes the purpose and background of the proposed amendments. The text of the proposed amendments is attached as Annex A to the draft report and the text of the proposed resolutions to be adopted by the Boards of Governors is attached as Annexes B and C. A draft letter of transmittal from the Secretary is also attached.
2. The estimate of the cost of the cooperative program with Unesco set forth in the Bank/IDA budget for the fiscal year 1967 and approved by the Executive Directors was prepared on the assumption that for the first six months of that fiscal year the costs would be shared equally between the Bank/IDA and Unesco, and that for the second half of that fiscal year, i.e., beginning January 1, 1967, 75% of the costs would be borne by the Bank/IDA and 25% by Unesco. Accordingly, the proposed amendments will not result in any increase in the Bank/IDA budget for the current fiscal year.
3. I recommend that the Executive Directors approve the proposed report for submission to the Boards of Governors, and that:
 - a) the Secretary dispatch the attached transmittal letter, together with the Executive Directors' Report and proposed resolutions, to all members for consideration by the Boards of Governors;
 - b) a vote of the Boards of Governors be taken without a meeting, and the requirement that no Governor vote on the resolutions until seven days after their dispatch be waived;

Distribution:

Executive Directors and Alternates
President
President's Council
Executive Vice President, IFC
Deputy Executive Vice President, IFC
Department Heads (Bank and IFC)

- c) the Secretary canvass the votes and report thereon to the Executive Directors;
- d) the effective date of the resolutions be the last day allowed for voting; and
- e) the Secretary take such further action as he deems necessary or appropriate to carry out the purposes of this vote.

4. In the absence of objection by the close of business on Tuesday, April 11, 1967, these recommendations will be deemed approved, to be so recorded in the minutes of the meetings of Executive Directors.

George D. Woods
President

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

(draft letter of transmittal)

April 13, 1967

Gentlemen:

I have been directed to send you the attached Report of the Executive Directors on proposed amendments to the Memorandum of Understanding with the United Nations Educational, Scientific and Cultural Organization, recommending to the Boards of Governors of the International Bank for Reconstruction and Development and the International Development Association the adoption of the draft resolutions appended thereto by vote without meeting.

Please transmit the Report and draft resolutions to the Governor of the Bank (and as the case may be, of IDA) representing your country, with the request that he vote on the resolutions. No particular form of vote is required as long as we receive a clear indication in writing whether the Governor approves the resolutions.

The Executive Directors have waived the requirement that Governors shall not vote on the resolutions until seven days after their dispatch.

Votes shall be cast by Governors by cable or other rapid means of communication, and must be received by my office on or before May 15, 1967. Votes not so cast or received will be void.

Yours truly,

M. M. Mendels
Secretary

(DRAFT)

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

April 11, 1967

REPORT OF THE EXECUTIVE DIRECTORS TO THE BOARDS OF GOVERNORS

PROPOSED AMENDMENTS TO THE MEMORANDUM OF UNDERSTANDING
WITH RESPECT TO WORKING ARRANGEMENTS BETWEEN THE UNITED
NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION
AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND THE INTERNATIONAL DEVELOPMENT ASSOCIATION

1. On April 30, 1964, the Boards of Governors of the Bank and IDA approved a Memorandum of Understanding between the Bank/IDA and the United Nations Educational, Scientific and Cultural Organization (Unesco), setting forth basic principles to govern a proposed cooperative program in the field of education. On the same date, the Boards of Governors approved a Memorandum of Understanding with the Food and Agriculture Organization of the United Nations (FAO), setting forth basic principles to govern a proposed cooperative program in the field of agriculture.
2. The arrangements incorporated in both Memoranda of Understanding contemplated that certain specified costs incurred for agreed work under the program would be shared equally by the Bank/IDA and Unesco, and by the Bank/IDA and FAO, respectively, up to a ceiling figure to be agreed from time to time. It was also contemplated that, at least for an initial period, the Bank would bear any excess costs above the ceiling figures.
3. In August 1965, the Boards of Governors of the Bank and IDA, upon the joint recommendation of the Executive Directors, approved amendments to the Memorandum of Understanding between FAO and the Bank/IDA, which (a) eliminated the provision for a ceiling on cost sharing, so that the Bank and FAO would thereafter share all the agreed costs of the cooperative program, and (b) increased the Bank's share of those costs from 50% to 75% and correspondingly reduced FAO's share from 50% to 25%. These amendments, which were also approved by the Council of FAO, became effective on January 1, 1966, the start of FAO's next budgetary period.
4. A similar change in the cost-sharing formula governing the cooperative arrangements with Unesco was concurrently negotiated with Unesco, to become effective at the beginning of the next Unesco budgetary period. However, because that period would not start until January 1, 1967, the Director-General of Unesco asked that formal amendment of the Memorandum of Understanding be deferred.

5. It is now proposed that the Memorandum of Understanding with Unesco be amended to reflect the change in the cost-sharing formula described above, and to bring that Memorandum into line with the Memorandum of Understanding with FAO. If approved, the proposed changes, under which Unesco and the Bank would share all direct costs of the cooperative program in a 25:75 proportion, will be deemed to have taken effect on January 1, 1967, the start of Unesco's current budgetary period.

6. At the request of Unesco one further minor change is proposed to the Memorandum of Understanding in order to take account of recent changes in Unesco's terminology. In lieu of references to Unesco's "Educational Financing Unit" the amended Memorandum of Understanding will use the term "Educational Financing Division".

7. The text of these amendments to the Memorandum of Understanding with Unesco have been negotiated with Unesco and are attached as Annex A to this report. As was the case with the Memorandum itself, the amendments require the approval of the Boards of Governors of the Bank and IDA, pursuant to Article V, Section 2(b)(v) of the Articles of Agreement of the Bank and to Article VI, Section 2(c)(v) of the Articles of Agreement of IDA, under both of which formal arrangements for cooperation with other international organizations must be approved by the Board of Governors. These amendments are similarly subject to approval by the appropriate intergovernmental body of Unesco.

Recommendations

8. The Executive Directors recommend that the proposed amendments to the Memorandum of Understanding with Unesco be approved by the Boards of Governors and that:

- a) the Board of Governors of the Bank adopt by vote without meeting the draft resolution attached as Annex B to this report; and
- b) the Board of Governors of IDA adopt by vote without meeting the draft resolution attached as Annex C to this report.

PROPOSED AMENDMENTS TO THE MEMORANDUM OF UNDERSTANDING
GOVERNING THE COOPERATIVE PROGRAM WITH THE UNITED NATIONS
EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION

1. Subparagraph (a) of paragraph 4 of the Memorandum of Understanding between Unesco and the Bank/IDA would be amended to read as follows:

"(a) Subject to the qualifications set forth below, the costs of Unesco in connection with agreed work under the program, including salary, allowances and other benefits and travel costs of the Educational Financing Division, of outside consultants, and of other Unesco staff members assigned to such work will, until December 31, 1966, be shared equally by Unesco and the Bank up to a ceiling figure to be fixed from time to time by agreement between the two organizations."

2. A new subparagraph (i) would be added to paragraph 4 to read as follows:

"(i) Beginning with the calendar year 1967, the costs of Unesco for agreed work under the program as defined in subparagraph (a) will be shared in the proportion of 25% by Unesco and 75% by the Bank, subject to the qualifications set forth in subparagraphs (b), (c), (d) and (e). The cost-sharing ceiling figure for each Unesco biennium will be fixed from time to time by agreement between the two organizations."

3. Wherever the words "Educational Financing Unit" appear in the Memorandum of Understanding there shall be substituted the words "Educational Financing Division".

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

(DRAFT)

RESOLUTION NO. _____

Amendments to the Memorandum of Understanding
with Respect to Working Arrangements Between
the United Nations Educational, Scientific and
Cultural Organization (Unesco) and the International
Bank for Reconstruction and Development and the
International Development Association

RESOLVED:

THAT the amendments to the Memorandum of Understanding with Respect to Working Arrangements Between the United Nations Educational, Scientific and Cultural Organization (Unesco) and the Bank and the International Development Association attached as Annex A to the Report of the Executive Directors to the Boards of Governors dated April 11, 1967, are hereby approved.

INTERNATIONAL DEVELOPMENT ASSOCIATION

(DRAFT)

RESOLUTION NO.

Amendments to the Memorandum of Understanding
with Respect to Working Arrangements Between
the United Nations Educational, Scientific and
Cultural Organization (Unesco) and the International
Bank for Reconstruction and Development and the
International Development Association

RESOLVED:

THAT the amendments to the Memorandum of Understanding with Respect to Working Arrangements Between the United Nations Educational, Scientific and Cultural Organization (Unesco) and the International Bank for Reconstruction and Development and the Association attached as Annex A to the Report of the Executive Directors to the Boards of Governors dated April 11, 1967, are hereby approved.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

(draft letter of transmittal)

March 11, 1964

Gentlemen:

I have been directed to send you the attached Report of the Executive Directors on arrangements with the United Nations Educational, Scientific and Cultural Organization (Unesco) and the Food and Agriculture Organization of the United Nations (FAO), recommending to the Boards of Governors of the International Bank for Reconstruction and Development and the International Development Association the adoption of the draft resolutions appended thereto by vote without meeting.

Please transmit the report and draft resolutions to the Governor of the Bank (and as the case may be, of IDA) representing your country, with the request that he vote on the resolutions. No particular form of vote is required as long as we receive a clear indication, in writing, whether the Governor approves the resolutions.

The Executive Directors have waived the requirement that Governors shall not vote on the resolutions until seven days after their dispatch.

Votes shall be cast by Governors by cable or other rapid means of communication, and must be received by my office on or before April 10, 1964. Votes not so cast or received will be void.

Yours truly,

M. M. Mendels
Secretary

(Office of the Secretary
March 2, 1964)



Record Removal Notice

File Title United Nations Files: United Nations Educational, Scientific and cultural Organization UNESCO (Including Cooperative Program) - 1v		Barcode No. 1242188		
Document Date March 10, 1967	Document Type Board of Governors Record			
Correspondents / Participants				
Subject / Title Draft Report of the EDs to the Boards of Governors				
Exception(s)				
Additional Comments Declassification review of this record may be initiated upon request.		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Ann May</td><td>Date November 09, 2018</td></tr></table>	Withdrawn by Ann May	Date November 09, 2018
Withdrawn by Ann May	Date November 09, 2018			

M. Demuth

How far take with RAC

OFFICE MEMORANDUM

TO: Mr. R. A. Clarke

DATE: July 27, 1964.

FROM: L. J. C. Evans *LJC*

SUBJECT: Technical Assistance in Project Preparation

Reference your memorandum to Files dated July 23 about our meeting on July 21 to discuss technical assistance in project preparation, I hope that your department will be able to discuss the matter further with TOD quite soon. I have some comments on your memorandum and refer below to your paragraph numbers:

Para. 7: You quote from Operational Memorandum 23 and say that in the context of our present discussion the critical phrase in the definition of "technical assistance" is "substantial involvement". I would suggest that a phrase just as critical is "....advice or services orsurveys not immediately or directly related to a loan operation". No "project preparation mission" will be included within the Bank/FAO Cooperative Program unless there is a fairly strong expectation that the mission will lead to a loan operation. Before such a mission is agreed, the Bank will have decided, after the project identification stage, that the project is one which the Bank wishes to have prepared and which the Bank would be prepared to finance subject to proper preparation and appraisal. Already, in our discussions about programming of missions, FAO have begun to ask, in the case of each proposed project preparation mission, whether the mission is likely to lead to Bank lending on a substantial scale in the fairly near future. I think it can therefore be said that all project preparation missions under the Cooperative Program are related fairly immediately or directly to a loan operation.

Not an existing operation & raises the point that preparation is the country's responsibility.

Para. 8b: You refer here to "technical assistance carried out under the Bank/FAO Cooperative Program". However, as suggested in your para. 3, we obviously still need to clarify what we mean by "technical assistance" under the Bank/FAO Cooperative Program.

Your Para. 9 referring to the Cameroon Cocoa Rehabilitation study, you say "it is doubtful whether the local cost estimates include subsistence for the FAO and consultant staff in the Cameroon". I do not think there is any doubt about the matter at all. In Agriculture Division's estimates for the part of the study to be carried out under the Bank/FAO Cooperative program, we do not assume that the Cameroon Government would be contributing to the subsistence cost of the FAO team. It seems, however, that Transportation Division has provided in their estimates of local costs for the transportation consultants a big enough figure (\$25,000) to cover both the local costs of the transportation consultants and also of the FAO team.

Your Para. 11d: I am still not quite clear what arrangements you think I ought to explain to Mr. Ergas. So far, in setting up this FAO project preparation mission there has been no mention of the possibility that the Cameroon Government would contribute to the subsistence costs of the FAO team. We could of course now tell Mr. Ergas that the Government will pay part of the costs of the mission which FAO now think that FAO is going to have to pay. We would, however, be creating a precedent here and I think that before deciding what we want to do in the case of this FAO Cameroon mission, we ought to decide what we intend to do in principle about project preparation missions under the Cooperative Program.

cc: Mr. Aldewereld