











**United Nations Educational, Scientific and Cultural Organization
(UNESCO)**

Multilateral Aid Review (MAR) Update 2013 progress rating:



MAR 2011: *Poor Value for Money for UK Aid*

Progress assessment	
Summary	Improvements made in work planning, budgeting, HR policies, transparency and cost control, which have strengthened organisational effectiveness. Will need to keep up pace of change to consolidate work done.
Baseline	
<p>UNESCO is a UN specialised agency that provides a forum for the negotiation of global agreements, a facility for policy exchanges and capacity building, and a centre for standard setting and monitoring in education, natural sciences, social sciences, culture and communication and information.</p> <p>The MAR highlighted several strengths:</p> <ul style="list-style-type: none"> • UNESCO has an important role in education policy and reporting. • Accountability is good with systematic involvement of partner countries and NGOs. • UNESCO's external audits are high quality and it is implementing IPSAS (International Public Sector Accounting Standards). <p>The MAR also highlighted the following weaknesses:</p> <ul style="list-style-type: none"> • The programme information system is complicated and inadequate attention is paid to results in programming decisions. • Financial resource management is inadequate, in particular allocation mechanisms and management of poorly performing programmes. <p>DFID's reform priorities for the MAR Update were:</p> <ul style="list-style-type: none"> • Improving results-based management – as assessed under <u>contribution to results</u>; • Focusing its resources where UNESCO has a comparative advantage – as assessed under <u>strategic and performance management</u>; • Strengthening its focus on value for money and cost consciousness and continuing to reduce administrative overhead costs – as assessed under <u>cost and value consciousness</u>; • Improving its transparency, particularly in programmes – as assessed under <u>transparency and accountability</u>. 	
Summary of overall progress	
<p>UNESCO is making reasonable progress on both contribution to results and strategic and performance management. It has improved its results based management, focused more on its comparative advantage and made a step change in implementation of evaluation recommendations. The confidence of members and other UN organisations in UNESCO is increasing.</p>	

Progress against reform priorities			
MAR reform component	MAR 2011 score	Progress rating	MAR Update score, if any change
<p>Contribution to results</p> <p>Across the board, improvements in results based management include:</p> <p>(a) increased effort to explain how standard-setting work achieves change on the ground and to address methodological issues around evaluation of normative work;</p> <p>(b) improvements in its systems to ensure activities in developing countries are results-focused (country planning documents coverage up by 117%,);</p> <p>(c) improvements in its results reporting (annual report, first sector report).</p> <p>In addition, UNESCO is convening a high-panel group which is drafting a successor to the 1996 Delors report on the four pillars of education, setting out new educational goals for the 2015 post MDG agenda, demonstrating significant international partnerships (Education First leadership), and strengthening its political advocacy (stand up for Malala).</p>		 Reasonable progress	
<p>Strategic and performance management</p> <p>Improved focus has been demonstrated by the significant reduction in 'small' activities currently undertaken, together with a reduced overall set of strategic objectives for the organisation going forward. Through the significant increase in implementation of evaluation and audit recommendations, the organisation is demonstrating an improved, evidence and performance based approach to programme management.</p>		 Reasonable progress	
<p>Cost and value consciousness</p> <p>UNESCO has achieved continuous savings in its administration overhead. The ratio of costs of central services overall was able to be improved slightly despite the significant cuts in programmes forced by some members failure to pay contributions. The reform of administrative processes and procedures has continued and several new time-saving systems are now in use. The proposed budget for 2014-17 makes the central service reductions permanent whether or not all members resume their contributions.</p>		 Reasonable progress	
<p>Transparency and accountability</p> <p>The organisation has adopted a financial disclosure policy which supplements already</p>		 Some	

<p>extensive publicly available information. In addition, the organisation has made a formal commitment to publish IATI compliant programme information by 2015 through a common UN process and format. Proposed reductions to the operational budgets for the Ethics Office and Internal Oversight Service put at risk their good work. It is too early to tell whether sufficient progress in transparency and accountability will be made to lead to a score improvement in 2015.</p>		progress	
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