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REPORT BY THE DIRECTOR-GENERAL ON THE FOLLOW-UP TO DECISIONS AND RESOLUTIONS ADOPTED BY THE EXECUTIVE BOARD AND THE GENERAL CONFERENCE AT THEIR PREVIOUS SESSIONS

SUMMARY

The purpose of this report is to inform the Members of the Executive Board of the progress achieved in the follow-up to the decisions and resolutions adopted by the Board and the General Conference at their previous sessions.

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I. Preparations for drafting the Programme and Budget for 2012-2013 (36 C/5)

(Follow-up to 169 EX/Decision 4.1)

1. After considering the item and document 35 C/7 on the preparation of the Draft Programme and Budget for 2010-2011 (36 C/5) in the Joint Meeting of the Programme Commissions, the 35th session of the General Conference adopted two resolutions addressing more specifically this issue: (i) 35 C/Resolution 107 – General guidelines for the preparation of the Draft Programme and Budget for 2012-2013, including the summary of the general policy debate, and the reports of the Plenary Ministerial Forum and the ministerial round tables on education and sciences and, (ii) 35 C/Resolution 108 – UNESCO's work on culture of peace.

2. The report of the Joint Meeting of the Programme Commissions and the two above-cited resolutions are published in Volume 1 of the Records of the General Conference. The oral report of the Chairperson of the Joint Meeting of Commissions presenting the main features of the debates to the plenary meeting of the General Conference is contained in document 35 C/INF.44.

3. The following provisional timetable outlines the steps which will be taken for the preparation of the Draft Programme and Budget for 2012-2013 (36 C/5), in particular in order to elicit views, comments and suggestions from Member States and Associate Members, intergovernmental organizations (IGOs) and international non-governmental organizations (NGOs) on challenges and core issues which should inform the preparation of the Draft Programme and Budget for 2012-2013 (36 C/5):

Date		Action to be taken
February-April 2010	Preparation and dispatch of questionnaire for document 36 C/5	Secretariat prepares the questionnaire for the consultation on 36 C/5 building on General Conference Resolutions 35 C/107, including the summary of the general policy debate and the reports of the Plenary Ministerial Forum and ministerial round tables held during the 35th session of the General Conference, and Resolution 35 C/108 on Culture of peace.
30 March-15 April 2010	184th session of the Executive Board	Director-General reports to the Board about preparations made for the 36 C/5 process.
April/May 2010	Cluster and/or national consultations with National Commissions	Field office directors/heads undertake cluster or national consultations on issues addressed in questionnaire and related programming matters.
May-July 2010	Regional consultations of National Commissions	Holding of five regional consultations with National Commissions as follows: Arab States: 10-14 May 2010, Rabat, Morocco; Asia and the Pacific: 21-24 May 2010, Changwon, Republic of Korea; Europe and North America: 5-8 June 2010, London, United Kingdom; Africa: 21-25 June 2010, Kampala, Uganda; Latin America and the Caribbean: 5-7 July 2010, Port of Spain, Trinidad and Tobago. In Arab States and Africa, consultations are combined with quadrennial conferences – Each consultation adopts a report – including recommendations – which will be submitted to the Executive Board at its 185th session.
15 July 2010	Deadline for submission of written comments on questionnaire	The deadline for the submission of written comments by governments, IGOs and NGOs falls shortly after the last regional consultation.
mid-August 2010	Preliminary proposals by the Director-General for document 36 C/5	Director-General prepares a document containing her preliminary proposals for document 36 C/5, bearing in mind the outcome of the regional consultations as well as the written comments received.
5-22 October 2010	185th session of the Executive Board adopts decision concerning document 36 C/5	The Executive Board (i) considers the Preliminary proposals of the Director-General for document 36 C/5 and the outcomes of the written consultation and the reports of the five regional consultations; and (ii) adopts a decision providing framework

		and policy direction to the Director-General for formulation of document 36 C/5.
end October 2010	Publication of Director-General's ivory note on preparation of draft document 36 C/5	Director-General's ivory note gives instructions to the Secretariat for the preparation of draft document 36 C/5.
Mid-March 2011	Dispatch of draft document 36 C/5	Statutory deadline for submission of draft document 36 C/5 to Member States.
26 April-12 May 2011	186th session of the Executive Board adopts decision with recommendations on draft document 36 C/5	Consideration by the Executive Board of draft document 36 C/5 and adoption of decision containing its observations and recommendations on draft document 36 C/5, to be submitted to the General Conference at its 36th session.
October-November 2011	Adoption of document 36 C/5 by the 36th session of the General Conference	General Conference considers draft document 36 C/5 in the light of recommendations made by the Executive Board and proposed amendments submitted by Member States.

II. Progress to review and revise the financial Rules with respect to the implementation of International Public Sector Accounting Standards (IPSAS)

(Follow-up to Article 15.2 of the Financial Regulations, 181 EX/Decision 36, 182 EX/Decision 45)

4. The implementation of the International Public Sector Accounting Standards (IPSAS) by the United Nations system is a major part of its reform effort with the objectives of improving **accountability, comparability, transparency and harmonization** of its financial accounting and reporting standards.

5. The General Conference at its 34th session approved the adoption of IPSAS by UNESCO effective from January 2010. As planned, **UNESCO went live with IPSAS with effect from January 2010**. In order to produce IPSAS compliant financial statements for 2010, there remain critical challenges that will be addressed throughout 2010. The introduction of IPSAS will also entail adjustments to the Financial Rules. Revised Financial Rules will be prepared for consideration by the Executive Board at its autumn session.

III. Follow-up on the implementation of United Nations General Assembly resolution 62/208 concerning the 2007 triennial comprehensive policy review of operational activities for development of the United Nations system

(Follow-up to 181 EX/Decision 49)

6. By 181 EX/Decision 49, the Executive Board requested the Director-General to present to it at its 184th session a follow-up report on:

- (a) the progress made in coordinating and strengthening joint United Nations operational activities for development at the country, regional and global levels;
- (b) the progress made in harmonization of business practices in the United Nations system;
- (c) cost-sharing of common administrative and support services;
- (d) the strengthening of cost effectiveness and programme delivery.

7. In addition, the General Conference, by resolution 82 (ii) requested the Executive Board, in line with United Nations General Assembly resolution 63/232, "to submit to it proposals to accommodate the United Nations General Assembly's request to specialized agencies to align their programme cycle with the new quadrennial cycle of policy review of operational activities for

development of the United Nations system, starting in 2012". The present report intends to respond to both.

Progress made in coordinating and strengthening joint United Nations operational activities for development at the country, regional and global levels

8. After more than a year of implementing eight "Delivering as One" pilots, first stock-taking exercises by United Nations country teams and governments yielded an overall positive impact pointing to increased national ownership, a better alignment of the United Nations action with national priorities, the successful implementation of joint programmes, an increased engagement of line ministries in some countries, a more inclusive approach involving a number of United Nations organizations and an enhanced participation of non-resident agencies that allowed countries to benefit from the range of expertise offered by the entire United Nations system. Later in 2010, a more comprehensive system-wide impact evaluation will be undertaken.

9. UNESCO has actively participated in the "Delivering as One" exercises in all pilot countries and contributed to their common country programming exercises (in the form of One Programme/One Plan/common operational document), as well as to programme implementation through joint programmes with other United Nations organizations, including in lead and coordinating roles. For UNESCO, this has brought about an increased focus on country-level delivery, acting together with United Nations partners at country-level, based on comparative advantage and added-value of mutual action. Overall, the involvement of UNESCO has increased in United Nations country team activities, especially in countries where UNESCO is a non-resident agency. Experience has shown that joint programming, when adequately performed in an inclusive manner, tends to provide more clarity about the distribution of tasks between United Nations organizations of a United Nations country team.

10. Enhanced participation in common country programming efforts, including in particular United Nations Development Assistance Frameworks (UNDAFs), enabled UNESCO to highlight the relevance of and bring to bear its varied competence in response to national development priorities. This has implied better recognition of thematic areas which were often not duly taken into account – such as culture and development, the importance of science, technology and innovation for development, or the role of higher education. Efforts will have to continue in this regard. A particular focus will be the close to 90 UNDAF roll-outs which are expected to take place before 2012.

11. Challenges remain with regard to common country programming. These include lack of alignment of the programming cycles of United Nations organizations with those of national programming cycles, an increased workload and cost associated with joint United Nations coordination efforts for country offices, as well as the need to fully implement the "firewall" for UNDP between institutional and coordination tasks at the country level.

12. At the regional level, UNESCO is now systematically represented at, and involved in, the Regional Directors Teams (RDTs) of all regions, contributing to the tasks RDTs have been assigned within the Management and Accountability Framework of the United Nations development system. These tasks include the provision of coherent technical support to Resident Coordinators and UNCTs, quality assurance of UNDAF documents and One United Nations programmes, performance management of Resident Coordinators, as well as "trouble shooting" and dispute resolutions in difficult country situations. UNESCO's engagement at RDT-level, which is supported also through the 2% funding modality, has brought about a greater level of inter-agency coordination and collaboration at regional level as well as impact of UNESCO's presence on overall development work in the region. At the regional level, UNESCO is also engaged in the work of Regional Coordination Mechanisms (RCMs) as well as in collaborating with the United Nations regional economic commissions.

13. At the global/inter-agency level, UNESCO is participating systematically in the inter-agency work of the Chief Executives Board (CEB) and its subsidiary bodies (High-level Committee on

Programmes [HLCP], High-level Committee on Management [HLCM], and United Nations Development Group [UNDG]), including also in the UNDG Advisory Group at United Nations Principals' and at ASG/ADG-levels. Advancing the perspective of UNESCO as a specialized agency of the United Nations system, issues covered in the programmatic domain include a new guidance and support package for UNDAF roll-out, follow-up to the United Nations General Assembly resolution and negotiations on system-wide coherence, the implementation of the Management and Accountability system, as well as other issues. Work done under the HLCM and its subsidiary groups is mentioned in more detail below.

Progress made in the harmonization of business practices in the United Nations system

14. *Cost recovery policies:* Within the overall agenda of United Nations system-wide harmonization of business practises, the harmonization of cost recovery policies is a priority project. The 2004 TCPR resolution called for the harmonization of the principles of cost recovery policies, including that of full cost recovery. The 2007 TCPR resolution has called upon the United Nations funds, programmes and specialized agencies to review the issue of cost recovery to ensure that core resources do not subsidize the projects undertaken through non-core/supplementary/extrabudgetary funding. It has also called on the United Nations system to further standardize and harmonize the concepts, practices and cost classifications related to transaction cost and cost recovery, while maintaining the principle of full cost recovery in the administration of all non-core/supplementary/extrabudgetary contributions, including joint programmes.

15. To date, this harmonization effort is undertaken by the UNDG-HLCM Working Group on Cost Recovery Policies, which is co-chaired by the Development Operations Coordination Office (DOCO) and UNESCO. Building on the results of the HLCM Working Group on Cost Recovery Policies (chaired by UNESCO in 2003-2005 and 2007), which reached an agreement on definitions and principles for cost recovery, the UNDG-HLCM Working Group first met in April 2008 and aimed at exploring the possibilities for further harmonization, in the context of the TCPR resolutions of 2004 and 2007, among a small group of United Nations organizations, including UNDP, UNICEF, WFP, UNFPA, UNESCO, FAO, WHO and ILO.

16. Consultants were jointly hired in September 2008 with a view to facilitating an agreement on concrete **harmonized measures for the "Delivering as One" pilots**. During its last meeting in September 2009, the UNDG-HLCM Working Group decided that, even though providing more insight into accountancy tools and options for re-allocating costs, the consultants' report could not be endorsed as a whole. The working group then mandated the specialized agencies to work on a common understanding of cost recovery harmonization to be proposed to the larger UNDG-HLCM Working Group. Specialized agencies (WHO, UNESCO, FAO, ILO, UNIDO) met in November 2009 under the leadership of WHO but have not yet finalized their work. A report on this matter is being submitted by the HLCM Finance and Budget Network in February 2010 to the HLCM.

17. Initial inter-agency work has been undertaken with the participation of UNESCO in order to conceptualize, and to agree on, guidelines for a Common Budgetary Framework (CBF). Proposed as a planning, management and reporting tool, **the objective of the Common Budgetary Framework is to provide criteria for an allocation method, among United Nations organizations, of the funds raised at the country level** within the framework of the "One Fund". The proposals made to date are based on the business model of the United Nations Funds and Programmes, whose governance, mandates and decentralization approaches are different from that of the specialized agencies. The agreement on a Common Budgetary Framework could thus be a major challenge for specialized agencies in particular. The discussions thereon will continue.

18. *Administrative procedures relating to Multi-Donor Trust Funds (MDTF) projects:* The Multi Donor Trust Funds (MDTF) Office set up in 2008 a web portal in order to submit financial reports for all MDTF projects executed by all United Nations participating organizations. UNESCO has contributed to, and been part of, this arrangement. The same process is in place for the end-of-the-

year financial reporting for 2009. As of 2010, reports will be prepared and presented on a quarterly basis.

19. *HACT*: In 2008, the Harmonized Approach to Cash Transfers (HACT) has been expanded for “Delivering as One” pilots beyond the four Funds and Programmes to other United Nations organizations. UNESCO, along with UNOPS, FAO, UNIDO and HABITAT, has confirmed that it will use HACT where applicable to operations in pilot countries.

20. Since, UNESCO has expanded HACT to all field offices beyond United Nations pilot countries and completed the necessary staff training and briefings. However, to this date there is no concrete experience with an application of HACT as a modality for cash transfer. Overall, global challenges remain for the implementation of HACT, which also apply to UNESCO:

- reluctance of national governments and other partners to accept the HACT approach, in particular the micro-assessments of government partners;
- concern over the cost of conducting HACT micro-assessments of implementing partners’ financial management capacity. The cost of the assessment should be linked to reduced costs of future audits. More support from all agencies is required. UNESCO has difficulties to identify resources for micro-assessments in particular in the domains specific to UNESCO;
- in situations where the assessments have shown high risk, there needs to be agreement and commitment of agencies on how capacity development can be supported and coordinated in a collective manner.

Cost-sharing of common administrative and support services

21. As regards cost-sharing of common administrative and support services, including the One House, decisions as to whether UNESCO should join or not have to be taken on a case-by-case basis, based on a thorough analysis of costs and benefits involved. This is especially linked to the fact that experience so far regarding participation of UNESCO in common United Nations premises has shown that recurrent costs tend to escalate instead of being reduced. At the same time, a rather high number (28) of UNESCO offices benefit from free-of-charge premises or from host country contributions in cash (an average of US \$1.4 million per biennium) or other in-kind contributions (e.g. communication costs), helping to keep UNESCO’s rental and maintenance costs at a reasonable level.

Strengthening of cost effectiveness and programme delivery

22. There are some indications that joint programming, as well as common programme delivery through joint programmes can lead to increased cost effectiveness in the United Nations system’s work, although no reliable data are available yet. It is still too early to assess comprehensively the full extent of actual savings related to the structural, administrative and support costs of programme delivery under the “Delivering as One” pilots and in other instances of joint programming. In fact, systematic savings resulting from reductions in transaction and overhead costs may materialize only much later.

23. The 2007 TCPR resolution had called upon the United Nations funds, programmes and specialized agencies “to ensure, to the extent possible, that savings resulting from reductions in transaction and overhead costs accrue to development programmes in programme countries” (para. 114). Discussions on whether and how potential savings in transaction costs could be redeployed need to take into account the different operational approaches and programme resources decentralization practices of United Nations organizations. In contrast to the country programming approach of the United Nations funds and programmes, which work through approved country programmes with indicative planning figures, the specialized agencies have a distinct programme resource decentralization outside the framework of a country programme

across various sectors and involving different main lines of action within each sector. Hence, if increased coherence of United Nations country team activities were to yield efficiency gains in the programme cost, they could be used to scale up a particular activity under a main line of action with a view to broadening and deepening the scope and attainment of a particular result in a particular country, or be allocated to activities under other main lines of action of the main programme sector. However, at this stage, in accordance with existing budgetary practices, these savings could not be allocated to other activities by different sectors in the same country (for a more detailed argument on this matter, please see also document 181 EX/49). While there is recognition within the United Nations system that Member States want such savings, where possible, to be reinvested in the country concerned, a number of changes would have to be made in rules and regulations to make this possible.

24. The United Nations Development Group (UNDG) will discuss at its upcoming meeting at the end of February 2010 whether it should adopt on an experimental basis a proposed approach for the deployment of cost savings into country programmes, principally by United Nations funds and programmes. In particular, the proposed experimental phase should result in exploring the feasibility of identification, measurement, monitoring and full deployment of cost savings in operational activities into programmes of the same country. It is foreseen that a detailed review of the feasibility of the proposed approach, as well as of challenges and lessons learnt, will be undertaken at the end of 2010.

Possible alignment of programme cycles

25. At its 63rd session in 2008, the United Nations General Assembly had decided in A/Res/36/232 to change the comprehensive policy review of operational activities for development of the United Nations system from a triennial to a quadrennial cycle “in order to better provide policy guidance to the United Nations funds and programmes and the specialized agencies”. It had furthermore decided to commence its next comprehensive policy review in 2012. In the same resolution, the United Nations General Assembly “urges the funds and programmes and encourages the specialized agencies to carry out any changes required to align their planning cycles with the quadrennial comprehensive policy review (QCPR), including the implementation of mid-term reviews as necessary” (para. 20).

26. The QCPR discussions will take place during 2012, and are expected to result in the adoption of a General Assembly resolution in December 2012. The QCPR cycle would then cover the period 2013-2016 (see also graph below). The Executive Boards of United Nations funds and programmes (UNDP, UNFPA, UNICEF, WFP), have, in line with the above request, decided to extend their current four-year medium-term strategic plans by two years, i.e. until the end of 2013, with a new plan to cover the period 2014-2017. The rationale behind this timing is that the QCPR, finalized at the end of 2012 and starting as of 2013, could be discussed at Board sessions and reflected in the relevant draft strategic plans during 2013, before the new strategic plans would take effect as of 2014.

27. Given that UNESCO’s next Medium-Term Strategy (37 C/4) is scheduled to commence in 2014, alignment with the beginning of the QCPR as well as with the medium-term plans of United Nations Funds and Programmes could be ensured for the 37 C/4. In addition, the switch of cycles for the United Nations Funds and Programmes to even years has created a significant degree of alignment vis-à-vis UNESCO also, both in regard to the C/4 and the C/5 documents.

28. While alignment between the QCPR and the strategic plans of United Nations Funds and Programmes is ensured on a continuous basis throughout various cycles, alignment between UNESCO’s medium-term strategy and the QCPR will not go beyond the next cycle, due to the difference in duration of the QCPR (four years) and of UNESCO’s medium-term strategy (six years).

29. Alignment with the QCPR is desirable in principle, and will facilitate the provision of better policy guidance to funds and programmes and specialized agencies, as argued in A/Res/63/232.

However, a possible change to a four-year duration of the C/4 would have programmatic and managerial implications for UNESCO that go well beyond the alignment issue and deserve to be considered in their own right as well. These issues include the time horizon available for planning and monitoring, the rolling character and the strategic nature of the C/4, as well as the possibility to manage for results. Finally, it should be noted that an alignment of the programming cycles of United Nations funds, programmes and specialized agencies will not resolve the issue of differing planning horizons by national governments.

37 C/5		38 C/5		39 C/5		40 C/5			
37 C/4						40 C/4			
F&P (Medium-term plan)					F&P (Medium-term plan)				
QCPR				QCPR					
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022

IV. Implementation of 35 C/Resolution 49 and 182 EX/Decision 5 (II) relating to the Ascent to the Mughrabi Gate in the Old City of Jerusalem (Follow-up to 182 EX/Decision 5 (II))

30. As a follow-up to 176 EX/Special Plenary Meeting/Decision and to the decisions of the World Heritage Committee at its 31st, 32nd and 33rd sessions in 2007, 2008 and 2009 respectively, which requested the World Heritage Centre to facilitate the exchanges between Israeli, Jordanian and Waqf experts to discuss the detailed proposals for the design of the Mughrabi ascent; two professional meetings took place in Jerusalem on 13 January and 24 February 2008 between Israeli and Jordanian (including Waqf) experts. The third meeting, scheduled for 12 November 2008, was postponed at the request of the Jordanian authorities “until a date when it can get its own experts and equipment on the site in order to take the appropriate measurements, necessary to finalize the design of the project”.

31. The “Reinforced Monitoring” mechanism, requested by the Executive Board at its 176th session (176 EX/Special Plenary Meeting decision) and by the World Heritage Committee at its 31st session in 2007, is being applied to the Old City of Jerusalem with regard to the Mughrabi ascent. Seven reports were prepared by the World Heritage Centre in this respect and forwarded to the concerned parties and the States Parties members of the World Heritage Committee.

32. At its 182nd session, the Executive Board adopted 182 EX/Decision 5 (II), in which it recalled previous decisions and regretted “in this regard the postponement of the follow-up meeting of experts which was scheduled on 12 November 2008 [...] as well as of the planned visit of Jordanian technical experts to the Mughrabi Ascent site on 27 July 2009, due to circumstances that have impeded Jordanian experts from having access in order to take measurements”. It recognized “the existence of deep concerns regarding the decision taken by the Jerusalem District Planning and Construction Commission on the town planning scheme for the Mughrabi ascent” and requested that despite that decision, “the process for the design of the Mughrabi ascent be inclusive of all parties concerned, in accordance with the spirit and content of previous World Heritage Committee decisions”. Reaffirming the necessity of cooperation in order to arrange for access to the Mughrabi ascent site for Jordanian and Waqf experts, it reiterated its call on the Director-General “to organize a follow-up meeting of experts as soon as possible, once the parties concerned have reached an understanding”. It also reaffirmed “that the process for the design of the Mughrabi ascent, which allows for the taking into consideration of the designs submitted during the aforementioned professional encounter, is still under way”. Finally, it expressed its thanks to the Director-General “for the action he is taking to facilitate the dialogue and professional exchanges between all the parties concerned”.

33. At its 35th session, the General Conference adopted 35 C/Resolution 49 by which it “reiterates its concern as to the obstacles and practices, unilateral or otherwise, affecting the preservation of the distinctive character of the Old City of Jerusalem” and “invites the Director-General to pursue his efforts with the concerned parties for the safeguarding of the outstanding universal value of the Old City of Jerusalem”.

34. By letter dated 28 January 2008 from the Israeli National Commission for UNESCO, the World Heritage Centre was informed that: “Following the decision of the National Council for Planning and Construction, an alternative plan for the Mughrabi ascent was made in order to maintain the authenticity and integrity of the site reflected in the recommendations of the WHC and its advisory bodies. The process of the approval of this plan should end only after a formal publication of the approved planning principles”. UNESCO has acknowledged receipt of this information and reiterated its support for the organization of a meeting of the concerned parties to evaluate the alternative plan before its final approval.

35. Depending on the developments of the situation related to this issue, the Director-General is prepared to issue an addendum to the present document before the 184th session of the Executive Board.

V. Progress on the implementation of the fund-raising strategy for the South-South Cooperation Programme/Fund for Education

(Follow-up to 182 EX/Decision 5 (III))

36. As part of the implementation of the UNESCO fund-raising strategy for the South-South Cooperation Programme/Fund for Education, four main activities were undertaken by the Secretariat, with the participation of representatives from the G-77 and China:

- Participation of two members of the UNESCO Executive Board at the sixth South-South Expo (Washington DC, 14 and 15 December 2009): In early November 2009, UNESCO initiated discussions with the Special Unit of the United Nations Development Programme (UNDP) on South-South Cooperation, in order to establish new partnerships and support for the Fund. Invitations to the South-South Expo were extended respectively to her Excellency Ambassador Mukherjee as the Chair of the South-South Cooperation Fund, and his Excellency Ambassador Yai as representative of the G77 and China for the Africa region. UNESCO’s participation to the UNDP’s event has both raised awareness of the Fund and laid the ground for future cooperation with new partners.
- Organization of a round table on “South-south cooperation in education: challenges and opportunities” (UNESCO, Paris, 17 December 2009): This event brought together a number of representatives from the G-77 countries and China, development partners, non-governmental organizations and the private sector to share various perspectives on South-South and triangular North-South-South cooperation and to explore possible future cooperation, including funding opportunities. The event also provided the opportunity for UNESCO to celebrate, for the first time, the United Nations South-South Cooperation Day (celebrated on 19 December). As part of the advocacy for the Fund, a brochure was prepared in four languages (Arabic, English, French and Spanish) and shared with potential partners during the round table. The SSC brochure showcases the four regional pilot projects currently being implemented by the Fund.
- Appeal for extrabudgetary funds: In early January 2010, a fundraising letter was sent by the Director-General to major development partners, to solicit extrabudgetary funding for the South-South Cooperation Fund.

VI. UNESCO and the United Nations University/Education for Sustainable Development in Africa project

(Follow-up to 182 EX/Decision 11)

37. The “UNU/Education for Sustainable Development in Africa (ESDA)” project is an initiative undertaken by the United Nations University (UNU) through its Institute for Sustainability and Peace (ISP) based at UNU Headquarters in Tokyo. Its aim is to develop a Master’s degree level teacher-training programme for professionals involved in activities to promote sustainable development in Africa. The project rests on a network of higher education institutions in Africa and Japan and on cooperation with international organizations active in the field, such as UNESCO, the United Nations Environment Programme (UNEP) and the United Nations Human Settlements Programme (UN-HABITAT).

38. Designed for a duration of three years (March 2008-March 2011), the project comprises the following key phases:

- October 2008-March 2009, design and initiation phase;
- April 2009-March 2010, development and planning phase;
- April 2010-March 2011, programme testing and synopsis phase.

After these three preparatory phases, the project will move on to that of implementation within several African universities.

39. Since the project was designed, a Steering Committee has been formed, comprising African and Japanese universities. Working groups have been established in the following fields:

- integrated environment and social development in African rural areas;
- innovation in the field of sustainable development in support of African urban communities;
- management of mineral and mining resources in Africa and sustainable development in Africa.

40. Discussions between UNESCO and UNU are under way to identify specific forms of cooperation between the two Organizations. They may include UNESCO’s likely participation in drawing up the programme, preparing the guides for the curricula and appropriate learning and teaching materials and/or producing articles for a publication on the question of education for sustainable development.

VII. Progress on the proposal for the establishment in Reykjavik, Iceland of an International Language Centre as a category 2 centre under the auspices of UNESCO

(Follow-up to 182 EX/Decision. 20 (IX))

41. Following a request for action of the Minister of Education, Science and Culture of Iceland, an expert mission was organized by the UNESCO Secretariat in July 2009, to carry out a feasibility study on the establishment in Reykjavik, Iceland, of an international language centre as a category 2 centre under the auspices of UNESCO. During that mission, the name of the centre, its scope, its mission and its objectives were discussed with the Icelandic authorities, in consultation with UNESCO.

42. At the end of this mission, in spite of the progress accomplished, a number of minor questions still needed to be clarified to finalize the feasibility study, which was expected to be submitted to the Executive Board at its 184th session, as in decision 182 EX/20 (IX).

43. However, as some operational matters have required further pondering, discussions are at present still ongoing within the national authorities and between them and various stakeholders.

44. In this context, a second UNESCO expert mission is scheduled for autumn 2010, with the objective to finalize the feasibility study and submit it to the Executive Board at its 186th session.

VIII. Implementation of the measures to strengthen the International Institute for Higher Education in Latin America and the Caribbean (IESALC/UNESCO)

(Follow-up to 182 EX/Decision 63)

45. Since the decision of the Executive Board in September 2009, a number of important steps have been taken aiming at strengthening IESALC, including the following:

- A new job description for the post of the Director of IESALC (D-1) has been prepared in view of the advertisement of the related vacancy notice. This new job description takes into account the requests by the governing bodies to increase cooperation between IESALC and the Regional Bureau for Education in Santiago (OREALC), in particular by enhancing synchronization of IESALC's work with that of OREALC, while maintaining the autonomy of the Institute in accordance with its statutes and in line with UNESCO's financial rules and regulations. The area of teachers and teacher education in Latin America and the Caribbean (LAC) has been identified as a major challenge for the region which should be addressed jointly by IESALC and OREALC.
- During the coordination meeting attended by all UNESCO education officers of the LAC region, including IESALC staff (Brasília, November 2009), participants developed a regional programme for joint funding and implementation by UNESCO in LAC, with the active participation of IESALC. One of the two main components of the joint programme relates to teachers and teacher education.

IX. UNESCO and the Global Action on Climate Change

(Follow-up to 35 C/Resolution 33)

I

46. Prior to the fifteenth Conference of the Parties (COP 15) to the United Nations Framework Convention on Climate Change (UNFCCC), Copenhagen, 7-19 December 2009, the Director-General developed a UNESCO climate initiative, which she had announced in her inaugural speech. This initiative built on the UNESCO Strategy for Action on Climate Change and was designed as a contribution to the concerted global effort towards the outcome of COP 15. The text of the initiative is annexed.

47. The initiative focuses on a limited number of strategic issues and seeks to produce concrete results in select key areas of UNESCO's competence as called for by 35 C/Resolution 33. The initiative comprises four pillars – scientific, educational, environmental and ethical – and seeks to strengthen the scientific, mitigation and adaptation capacities of countries and communities that are most vulnerable to the effects of climate change. The initiative will give special attention to UNESCO's two global priorities, Africa and gender equality, as well as to the increased vulnerability of Small Island Developing States (SIDS), and will focus on climate science, impact of climate change on water resources, biological diversity, cultural heritage, ethics and social dimensions. Ultimately, the initiative shall contribute to the emergence of less carbon-intensive green societies.

48. Through coordination of observation, monitoring, climate research and forecasting related to the oceans and the water cycle, the Intergovernmental Oceanographic Commission (UNESCO/IOC) and the International Hydrological Programme (UNESCO/IHP), in collaboration with relevant United Nations partners, will continue to address gaps in the knowledge base towards a refined climate forecasting and early warning at global, regional, national and local levels.

UNESCO will provide decision-makers with policy advice, practical guidelines, selected good practices and technical assistance to help Member States address the impact of climate change on sustainable water resources management. The Organization will also draw upon the iconic values of the MAB biosphere reserves and UNESCO World Heritage sites for showcasing adaptation and conservation measures, as well as their potential contribution to mitigation and compensation efforts benefiting from a functioning international REDD (Reducing Emissions from Deforestation and Forest Degradation) finance mechanism. Especially vulnerable sites will serve as learning laboratories to nurture sustainable livelihoods.

49. In education, UNESCO will develop a climate education programme aimed at assisting Member States to integrate into curricula, teacher training and education strategies at all levels key information on the findings of climate science as well as on values and lifestyles supporting a transition to low-carbon, green societies. UNESCO will also, in close cooperation with UNFCCC and international stakeholders, maintain a clearinghouse/knowledge hub to make climate change education resources and materials more widely available to Member States. This particular work is a follow-up to the Denmark-funded International UNESCO Seminar on Climate Change Education (July 2009) focusing on SIDS and will continue to involve close cooperation among the UNESCO Intersectoral Platforms on Climate Change, Education for Sustainable Development and SIDS.

50. Finally, the initiative will address emerging social and ethical challenges posed by global climate change, including climate-induced migration, through its networks of leading experts in the social and human sciences. In this context and following a series of consultations including with other United Nations agencies, UNESCO will explore the advisability of preparing a draft universal declaration of ethical principles in relation to climate change.

51. At COP 15, the Director-General presented the UNESCO climate initiative at an international press conference and participated in a high-level panel discussion on the “United Nations system delivering as one on climate change” together with the United Nations Secretary-General and other Executive Heads of United Nations system organizations. Detailed information on UNESCO’s participation at the Copenhagen United Nations Climate Change Conference is available at the following address www.unesco.org/en/climatechange.

II

52. In line with the priority status assigned to SIDS in the UNESCO Medium-Term Strategy, the 35 C/5 includes the programming of specific SIDS interventions across the full range of the Organization’s mandate. Specific SIDS priorities, such as climate change, cultural heritage, and the identification of locally-driven approaches to sustainable development have been particularly highlighted.

53. New initiatives developed for implementation during the current biennium include studies on the impact of climate change-related migration in Pacific SIDS, and the full-scale roll-out of community-level field research projects on local climate change observations and adaptation strategies in all SIDS regions as part of the Danish-funded Climate Frontlines Forum project.

54. The SIDS Intersectoral Platform coordinates SIDS activities within UNESCO, as well as UNESCO’s engagement with the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS). Through this partnership, UNESCO provides technical advice on UN-OHRLLS activities concerned with SIDS, including the development of online information services on SIDS.

55. Based on contributions sourced from all five programme sectors at Headquarters and in the field, the SIDS Intersectoral Platform coordinated UNESCO’s participation to the United Nations-wide review of the first five years of implementation of the Mauritius Strategy for Sustainable Development in SIDS in November 2009. UNESCO focused its contribution on achievements made and challenges faced in the organization’s efforts at developing a fully intersectoral SIDS programme through the SIDS Intersectoral Platform.

56. The SIDS Intersectoral Platform maintains a continuous exchange with the SIDS Committee of Representatives to UNESCO – an active grouping of SIDS Member State delegates based at UNESCO Headquarters – in particular on the identification of means to strengthen the flow of communication between all members of the UNESCO SIDS constituency, as well as between the SIDS Member States and the UNESCO Secretariat.

Annex

UNESCO'S CLIMATE CHANGE INITIATIVE PRESENTATION AT THE COPENHAGEN CONFERENCE

December 2009

UNESCO has a longstanding involvement in climate-relevant issues and activities. In particular, it has contributed over the years, through its Intergovernmental Oceanographic Commission (IOC), to the scientific work of the Intergovernmental Panel on Climate Change (IPCC) and it will continue to do so in the future. Other areas such as in freshwater management and early flood warning systems have equally had high relevance for better understanding climate change and to help prepare countries in mitigation and adaptation efforts.

Recent trends in global warming make it imperative for UNESCO, as for the entire United Nations system, to mobilize its skills and capacities to assist Member States and communities, especially in developing countries and in small island developing states, to cope with the impact of climate change.

To this end, UNESCO's Executive Board at its 180th session in 2008 has adopted a global strategy for action on climate change. Based on this strategy, UNESCO will pursue a climate change initiative with a limited set of specific action to be taken immediately.

UNESCO, as the specialized agency of the United Nations system for education, the sciences, culture and communication and information, is committed to bringing together all of its interdisciplinary expertise to strengthen the scientific, mitigation and adaptation capacities to assist especially the world's poorest countries and communities that are most vulnerable to the effects of climate change. Special attention will be given to UNESCO's two global priorities, Africa and gender equality.

Africa matters

UNESCO attaches top priority to Africa because it is likely to suffer most from climate change. Climate change threatens to roll back development gains of recent years, exacerbates poverty and fuels civil strife as access to natural resources gets tighter. Action will be taken in a number of diverse fields, such as: the creation of scientific capacities in climate sciences; the operations of drought monitoring systems; the climate change and groundwater nexus; a range of initiatives in education for sustainable development, including curricula, teacher training and TVET; the building of capacities for management of natural resources and tropical forests; the management of World Heritage sites and biosphere reserves in the face of climate change; the support to more than a dozen journalism schools, with an essential part of their curriculum being the reporting on climate change.

Gender equality matters

UNESCO will sensitize governments to the gender dimensions of climate change through global policy dialogue and by advocating their involvement in climate change negotiations and other related decision-making processes. UNESCO will collaborate with other United Nations organizations to assist Member States in building capacities for gender-responsive climate policies and actions. As women are disproportionately affected by climate change, UNESCO will include in all its climate change action a special gender lens.

What is UNESCO doing concretely to assist countries? The principal pillars of UNESCO climate change action are:

Climate science and knowledge matter

- Through observation and monitoring of the oceans and the water cycle, UNESCO (in particular through the Intergovernmental Oceanographic Commission, the International Hydrological Programme and more than 20 water-related institutes under the auspices of UNESCO) will continue providing information and the knowledge base allowing a refined climate forecasting and early warning at regional, national and local levels.
- Based thereon, UNESCO is committed to support all stakeholders, especially in Africa, to cope better with the impact of climate change, to be more resilient and less vulnerable to natural hazards and disasters and to enhance their adaptation capacities.
- Communities matter: Through the Climate Frontlines Forum, UNESCO will empower small island, indigenous and other vulnerable communities to build a network of community-based projects on climate change impact and adaptation, allowing the sharing of knowledge and grass roots experiences and bringing to bear their voice in the global climate change debate.

Education for sustainable development (ESD) matters

- UNESCO will assist Member States to integrate into curricula, teacher training and education strategies at all levels key information on the findings of climate science as well as on values and lifestyles supporting a transition to low-carbon, green societies (in line with New Delhi programme).
- Moreover, by promoting technical and vocational education and training (TVET) in Member States, UNESCO together with partners will facilitate access of youth and adults to green jobs, especially in endangered ecosystems where the workforce needs to be relocated and retrained as a consequence of climate change impact, especially in small island developing states (SIDS) and coastal regions.
- Training the next generation of climate scientists and practitioners, particularly from Africa and least developed countries, in the areas of water management (through UNESCO-IHE Institute for Water Education in Delft and the water-related institutes under the auspices of UNESCO); Earth science and meteorological modelling (Abdus Salam International Centre for Theoretical Physics (ICTP)), and integrated land and resource management focusing primarily on tropical forests (ERAIFT – Kinshasa, and IRAIFT in Cote d'Ivoire).
- Maintaining a clearinghouse/knowledge hub, in close cooperation with UNFCCC and international stakeholders, to make climate change education resources and materials more widely available to Member States.
- Media matter: UNESCO will build capacities for science journalism and public service and state broadcasters to report on climate change in an informative and professional way. Community media centres will be used to provide training and knowledge for local populations.

Culture and biological diversity as well as cultural heritage matter

- UNESCO will assist Member States to harness the iconic values of World Heritage sites and biosphere reserves for showcasing adaptation and conservation measures.
- The World Network of Biosphere Reserves and the natural and mixed natural-cultural World Heritage sites account for some 300,000,000 hectares of forested landscapes and represent a unique source for field-based activities. UNESCO will assist Member States to

use especially vulnerable sites as learning laboratories to nurture sustainable livelihoods and as a potential contribution to mitigation and compensation efforts benefiting from a Reduction of Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) mechanism that may be adopted in Copenhagen. The mitigation impact results from such efforts may under a REDD framework eventually receive compensation for the value of the CO² emissions reduced or sequestered.

- UNESCO will assist Member States to assess the risk of the effects of climate change on World Heritage sites and biosphere reserves and to integrate adaptation measures into management plans.
- UNESCO will provide support to Member States and their communities to develop cultural industries and cultural entrepreneurs as a means of promoting the emergence of low carbon societies.

Other climate-relevant action by UNESCO

Ethics matters

UNESCO as the international organization dealing with ethical issues has also launched a consultative process aimed at judging the advisability of preparing a declaration of ethical principles in relation to climate change drawing on both the natural and social and human sciences.

Social dimensions matters

UNESCO will examine the social and human dimensions associated with climate change, including climate-induced migration, through its network of leading experts in the social and human sciences.

X. Plan of work to improve geographical representation of the staff of the Secretariat (Follow-up to 35 C/Resolution 93)

57. In accordance with 35 C/Resolution 93 the Director-General presents to the Executive Board a plan of work that includes measures, expected results and time frame to improve the geographical distribution.

I. GEOGRAPHICAL DISTRIBUTION OF STAFF

A. CURRENT SITUATION AS AT 1 NOVEMBER 2009

58. As at 1 November 2009, 157 Member States are represented within the Secretariat, i.e. 81% of the 193 Member States. The overall situation is as follows:

Table 1
Situation of the geographical distribution in UNESCO as at 1 November 2009

<u>Status of representation</u>	Number of Member States	% of the total
Normally represented	81	42
Over-represented	27	14
Under-represented	49	25
Total number of Member States represented	157	81
Non-represented	36	19
Total number of Member States	193	100

B. GEOGRAPHICAL DISTRIBUTION BY REGIONAL GROUP

59. All Regional Groups are normally represented, with the exception of Group III – Latin America and the Caribbean (GRULAC) and Group IV – Asia and Pacific (ASPAC) which are below their minimum quotas.

60. GRULAC is nine units below its minimum quota, while ASPAC is 12 units below its minimum quota.

Table 2
Geographical Distribution by Regional Group as at 1 Nov. 2009

	Quotas as at 1 Nov. 2009		Status as at 1 Nov. 2009	
	Min	Max		
Group I	185	312	270	Normally represented
Group II	56	107	63	Normally represented
Group III	78	145	69	Under-represented
Group IV	159	279	147	Under-represented
Group V(a)	95	186	121	Normally represented
Group V(b)	41	75	60	Normally represented
Total	573	1029	730	Normally represented

C. GEOGRAPHICAL DISTRIBUTION OF THE REGIONAL GROUPS AT DIRECTOR LEVEL AND ABOVE

61. As shown in Table 3 below, Group I has the largest representation at Director level and above (40%), while Groups II and V(b) have the lowest representation (3% and 10% respectively).

Table 3
Geographical Distribution by Regional Groups of Staff at Director and above level

	Number of D+	%
Group I	35	40
Group II	3	3
Group III	10	11
Group IV	14	16
Group V(a)	18	20
Groups V(b)	9	10
Total	89	100

II. EVOLUTION OF THE GEOGRAPHICAL DISTRIBUTION FROM NOVEMBER 2008 TO NOVEMBER 2009

62. As shown in Table 4, from November 2008 to November 2009, there has been:

- an increase in normally represented countries from 77 to 81;
- a decrease by 1 in the number of over-represented countries;
- a decrease of under-represented countries from 57 to 49;
- an increase in non-represented countries from 31 to 36.

Table 4
Evolution of the Geographical Distribution over the last year

Level of representation	1 November 2008	1 November 2009	Variation since 1 November 2008
Normally represented	77	81	+ 4
Over-represented	28	27	-1
Under-represented	57	49	- 8
Total represented	162	157	- 5
Non-represented	31	36	+ 5
Total Member States	193	193	0

III. GLOBAL TRENDS FROM 1 NOVEMBER 2000 TO 1 NOVEMBER 2009

63. As shown in Table 5, the trend over the last nine years (November 2000-November 2009) shows a positive move towards a more balanced geographical representation:

- five new Member States joined UNESCO over this period, bringing the total number of Member States to 193: Timor-Leste and United States of America (2003), Brunei Darussalam (2005), Montenegro and Singapore (2007);
- the level of global representation of Member States shows progress (e.g. 81% of Member States represented within the Secretariat);
- there has been a significant decrease of non-represented countries from 46 to 36;
- a significant increase of normally represented countries from 67 to 81
- a slight decrease in the number of over represented countries from 29 to 27;
- a slight increase in the number of under-represented countries from 46 to 49.

Table 5
Evolution of Geographical Distribution since Nov. 2000

Status of representation	1 November 2000		1 November 2009		Variation since 1 Nov. 2000
	Number of Member States	% of the total	Number of Member States	% of the total	
Normally represented	67	36%	81	42	14
Over-represented	29	16%	27	14	-2
Under-represented	46	24%	49	25	3
Total number of Member States represented	142	76%	157	81	15
Non-represented	46	24%	36	19	-10
Total number of Member States	188	100%	193	100	5

IV. PROPOSED MEASURES TO IMPROVE THE GEOGRAPHICAL DISTRIBUTION

64. The paramount consideration in staff appointments is to secure the highest standards of integrity, efficiency and technical competence, as prescribed by Article IV of UNESCO's Constitution. Subject to this paramount consideration, appointments shall be on as wide a geographical basis as possible.

65. In terms of geographical representation, the trends since November 2000 show a clear, positive move towards a balanced geographical distribution of staff: the number of normally represented countries has continued to increase. From January 2004 to November 2009, UNESCO met the target set by the General Conference in 32 C/Resolution 71 in November 2003 to fill a minimum of 50% of posts open for external recruitment with candidates from non- or under-represented Member States.

66. Over the next five years there will be a projected 146 staff members at the P-2 and above levels retiring, including 43 of the 89 Director staff and above. This will provide an opportunity to improve the geographical distribution, in particular at senior level.

67. Balancing geographical distribution is a continuous effort, which takes time and depends on available vacancies. In the short and medium term, renewed attention and efforts will be required to sustain the improvement of the geographical representation in the Secretariat and to address, in particular, the opportunity that the important number of upcoming retirements will provide. With the measures that the Secretariat has put in place, the plan of work proposed and the continued mobilization of Member States, National Commissions and all key partners, the Director-General is confident that the situation will continue to improve steadily towards an equitable geographical balance.

68. The following plan of work is a five year plan and the Director-General will regularly report on it to the Executive Board.

Annex

Action Plan for the Improvement of Geographical Distribution
in the Secretariat (2010-2015)

Expected Results	Measures to implement the strategy	Time frame	Responsible
Increase the number of normally-represented countries to achieve a more balanced Geographical Distribution	Measure 1 Assess situation in each Sector/Bureau based on data/profiles Set objectives for each Sector/Bureau based on expected vacancies Set up monitoring and reporting mechanisms	April 2010 April 2010 Quarterly basis	Sectors/Bureaux/ HRM HRM
	Measure 2 Recruit 10 Young Professionals each biennium from under- and non-represented countries	End of biennium	HRM
	Measure 3 Raise Geographical Distribution awareness in induction and training courses for managers	Ongoing	HRM
	Measure 4 Organize 2 recruitment workshops in targeted non- and under-represented countries to increase the number of candidates applying for UNESCO posts	Each biennium	HRM
	Measure 5 Organize meetings with the Secretary Generals of National Commissions and Permanent Delegations from under- and non-represented countries to brief them on UNESCO's policy and procedure and establish specific measures for targeted countries	End of December 2010	HRM/ National Commissions/ Permanent Delegations
	Achieve a better balance among Regional Groups at D-1 and above level posts	Measure 1 Advertise externally all D and above level posts to increase the pool of candidates from non- and under-represented countries at senior positions, particularly considering the impact of upcoming retirements over the next 5 years Establish specific objectives for D level and above posts with each Sector/Bureau based on the forecasted vacancy rate	2010-2015 April 2010
Measure 2 Participate in all Evaluation Panels for D and above posts to ensure that due consideration is given to candidates from non- and under-represented countries		Ongoing	HRM
Measure 3 Request Heads of Office to disseminate UNESCO's vacancy announcements to other United Nations Agencies and relevant local ministries		Ongoing 2010-2015	HRM/Field Offices

Increase the number of candidates from non and under-represented groups	<p>Measure 1 Establish special measures with Permanent Delegations from Groups III and IV to:</p> <ul style="list-style-type: none"> Identify and implement specific proactive measures with Permanent Delegations from the two under-represented regional groups such as to advertise within the countries UNESCO job opportunities in specific magazines and specialized websites Organize Information Forums with the National Commissions to reinforce their role through the training of its staff, in order to promote UNESCO, and provide information on its career opportunities and recruitment policies 	To be determined in cooperation with Permanent Delegations and National Commissions	Permanent Delegations/ National Commissions/ HRM
	<p>Measure 2 Include in each recruitment process at least one candidate from non- or under-represented countries in the shortlist for appointment to Professional posts</p>	Ongoing	Sectors/Bureaux
	<p>Measure 3 Make a collaborative effort with the concerned Member States to advertise the vacancy announcements in professional publications, magazines and on specialized websites in order to attract qualified candidates</p>	Ongoing 2010-2015	Member States/HRM

XI. Results of the study on the Medical Benefits Fund

(Follow-up to 34 C/Resolution 73, 180 EX/Decision 35, 35 C/Resolution 95)

69. In accordance with 35 C/Resolution 95, the Director-General was invited to report to the Executive Board on the result of the review of the Medical Benefits Fund (MBF) noting that the ultimate objective is to secure its long-term financial stability and viability.

70. UNESCO's Medical Benefits Fund is a self-insured plan funded by contributions from compulsory (staff) and voluntary (retirees) participants and UNESCO on a 50/50 basis. The contributions are based on a percentage of staff salary or pension income for retirees. Currently there are over 4,500 participants and around 3,000 dependants covered by the Plan.

71. In September 2009, the Secretariat commissioned an external firm to review the following:

- the current self-funded financial arrangements of the MBF plan and determine its financial stability through a projection exercise for the next 10 years;
- the MBF plan design and contribution formula and submit recommendations with financial implications on ways to enhance its efficiency in maintaining long-term financial sustainability;

- the current administrative structure of the MBF and submit recommendations based on best practices.

72. In January 2010, a preliminary report was submitted by the external firm. The external firm, using a healthcare risk modelling, found in their preliminary results, **that a shortfall of contributions against expenditures will continue to increase**. Given the current contribution mechanism and the population structure, the report indicates that by 2019 the medical expenses will far exceed the contributions which will no longer be able to cover the costs of the plan.

73. These results are impacted by three types of major risks:

- an aging population;
- distortion between the contribution evolution and medical inflation;
- a shift in demographic structural factor.

74. Therefore unless addressed, the medical expenditures will increase at greater rates than the corresponding increase of contributions based on remuneration (salary and pensions).

75. It is to be recalled that the current scheme is not only self-insured but also a pay-as-you go system. While providing a defined benefits scheme to participants, the Medical Fund is not funded accordingly. As a result, it has already accumulated actuarially determined unfunded liability amounting to \$640 million as of 31 December 2007. It is almost certain that the latest actuarial valuation, which is not yet available as of this report date, will show an increase in the accrued liability.

76. These preliminary findings are to be discussed and analysed in further detail in the coming months by the Secretariat. Once the review and analysis is completed the Secretariat will prepare and submit concrete short- and long-term measures to address the financial situation of the MBF.

77. Because this study relating to the MBF covering a ten year period will form the basis for a broader reflection on possible longer term funding mechanisms, including the various sources contributing to the overall after service health insurance liability, it is proposed that the report required by 180 EX/35 be postponed.

78. The Director-General intends to submit to the Board at its 185th session a comprehensive report recommending measures to ensure the long term financial sustainability of the MBF, and also to submit to the Board at its 187th session a comprehensive report including detailed information regarding the proposals for possible funding mechanisms for UNESCO after-service health insurance scheme, and disaggregated information in order to identify specifically the sources of the accrued after-service health insurance benefit liabilities.



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ADDENDUM

XII. Appropriation Resolution 2010-2011: reinforcement of priority programmes

SUMMARY

This document is intended to follow-up on the implementation of 35 C/Resolution 106.

The text has no financial or administrative implications.

No decision is required.

1. By 35 C/Resolution 106 adopted by the General Conference at its 35th session, the Director-General was requested to pursue efforts aimed at freeing budgetary resources towards reinforcing priority programmes by: (i) streamlining business practices in the Organization; (ii) reallocating further funds from Parts I and III, as well as funds from Part II.B, and rationalizing expenditures relating to the implementation of programme activities with particular reference to travel expenses, publications, meetings, contractual services, etc.; and (iii) exploring ways to reduce the running costs of the General Conference and of the Executive Board without any derogation from Rules 61 and 62 of the Rules of Procedure of the Executive Board. 35 C/Resolution 106 also invited the Director-General to present to the Executive Board at its 184th session a report on what productivity gains can be expected, and how they could be reinvested in the delivery of priority programmes.

2. Immediately upon taking office in mid-November, the Director-General issued instructions that particular efforts should be made by all sectors, central services and offices to improve the balance between funds for administration and programmes. On the occasion of the Information Meeting of the Executive Board on 4 February 2010, the Director-General also reiterated her determination to reduce administrative costs, including consultancies and travel.

3. As announced in her investiture speech of 23 October 2009, the Director-General established in mid-January 2010 a number of task forces as part of a comprehensive effort to eliminate bureaucracy and to improve the Organization's processes and working methods, with a view to optimizing UNESCO's work and raising the efficiency of programme execution and operations. In particular, the task forces were requested to examine possibilities for streamlining structures and making them less bureaucratic, ensuring high-quality delivery and results attainment, effective decentralization and significantly enhanced visibility. Most of these task forces have just completed their work and submitted their reports and recommendations to the Director-General, who is currently reviewing the considerable number of recommendations resulting from this exercise.

4. Further, the Director-General had called in her installation speech for high-quality evaluations that support programme management decisions and proper accountability mechanisms. Hence, the Director-General is looking forward to the recommendations of the external and independent evaluation of UNESCO which the General Conference decided to launch at its 35th session with specific terms of reference.

5. Given that the task forces have only recently completed their work and that the external evaluation is still ongoing, the Director-General considers that it would be premature at this stage to make specific proposals as called for under 35 C/Resolution 106. In order to allow a thorough examination of the various recommendations received and to allow for consultations with Member States thereon, the Director-General feels that it may be appropriate to postpone consideration of this item to the 185th session. She intends then to present to the Executive Board a report with pertinent recommendations in response to the General Conference request.

6. This would also allow harmonization with the Director-General's response to paragraph 6(b) of 35 C/Resolution 107, calling for a plan to increase budgetary allocations to major programmes in Part II of the budget through savings made in other parts of the budget as well as through innovative financing mechanisms and extrabudgetary funding, to be submitted to the Executive Board at its 185th session.



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ADDENDUM 2

**Progress made in the comprehensive Programme of Assistance
for Lebanon's Reconstruction**

SUMMARY

This report is intended to inform the Members of the Executive Board on the follow-up to 181 EX/Decision 48.

No financial or administrative implications.

No decision is required.

Progress made in the comprehensive Programme of Assistance for Lebanon's Reconstruction.

1. By 181 EX/Decision 48, the Executive Board welcomed the development of the reinforced programme of assistance to Lebanon, finalized in cooperation with the Lebanese authorities. Furthermore, the Executive Board invited the Director-General "to report to it, when appropriate, as part of his general report under item 5 Report of the Director-General on the follow-up to decisions and resolutions adopted by the Executive Board and the General Conference at their previous sessions".

2. As reported in document 181 EX/48, following extensive consultations with line ministries and national institutions concerned, a fully fledged Programme of Assistance for Lebanon's Reconstruction was finalized at the beginning of 2009. Through a comprehensive multisectoral approach, the Programme aims to assist the Lebanese authorities to address recovery needs following the 2006 crisis, while laying the foundations for longer-term reconstruction and development. It seeks to support the efforts by the Lebanese Government and civil society to promote a lasting recovery and peace, by strengthening institutional capacities, promoting dialogue among communities, improving the quality and equity of service provision, revitalizing key public and private sectors, and promoting sustainable economic development.

3. The Programme is articulated around three overarching thrusts, intended to address both Lebanon's short- and longer-term needs in UNESCO's fields of competence:

(i) Building bridges across diversity

This component of the Programme is aimed at assisting the Lebanese authorities to strengthen the process of national reconciliation and social cohesion through mainstreaming intercultural dialogue and cultural diversity into sustainable national policies that can bring a meaningful contribution to the development of the country in the following four areas:

- dialogue between adjacent but divided communities;
- dialogue among Lebanese university students;
- learning to live together through education;
- strengthening media reporting standards.

(ii) Strengthening Lebanon's capacity to respond to conflict and disaster

The objective of this component is to strengthen the capacities of relevant line ministries and key institutions for emergency planning, preparedness and response through the following four subprojects:

- strengthening the Ministry of Education and Higher Education's capacity to plan, prepare for and respond to conflicts and disasters;
- school-based support programmes for children at risk;
- conflict-sensitive reporting;
- seismic risk mitigation in Lebanon.

(iii) **Modernizing key public sector services**

This component intends to reinforce Lebanese public institutions and strengthen their capacity to provide quality public service, while rebuilding trust in the public sector as a leader of economic development and national reconciliation through the following subprojects:

- strengthening of the National News Agency;
- support to Télé-Liban;
- development of a model school library;
- strengthening the Underwater Archaeological Centre in Tyre;
- establishment of a Lebanese observatory of research, development and innovation.

4. During a UNESCO high-level mission carried out in April 2009, the consolidated Programme was presented to the Lebanese Prime Minister and other representatives from the Lebanese Government, as well as the United Nations Country Team. All parties expressed appreciation of this initiative and endorsed the Programme, whose focus on dialogue and mutual understanding as driving factors in the reconstruction and development process of Lebanon was considered crucial.

5. On the same occasion, modalities for the establishment of a joint UNESCO/Lebanon mechanism for fund mobilization were also discussed, in order to secure necessary funding to start the implementation of the programme. However, the initiation of the Programme had awaited the completion of national legislative elections. With the formation of Lebanon's national unity government in November 2009, UNESCO's Beirut Office has reinitiated efforts to operationalize the Programme, through a close consultation with line ministries concerned and with the Lebanese National Commission for UNESCO.



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ADDENDUM

COMMENTS OF THE UNESCO STAFF UNION (STU)

SUMMARY

In conformity with item 2805.7 of the UNESCO Administrative Manual, the UNESCO Staff Union (STU) submits its observations on this report by the Director-General.

Comments of the UNESCO Staff Union (STU) on Chapter XI of document 184 EX/5: **Report of the Director-General on the follow-up to decisions and resolutions adopted by the Executive Board and the General Conference at their previous sessions.**

1. Chapter XI of document 184 EX/5 entitled: **Results of the study on the Medical Benefits Fund** makes reference to 34 C/Resolution 73, 180 EX/Decision 35 and 35 C/Resolution 95. It should perhaps be noted that the first two references are to “undertake an actuarial study on unfunded liabilities of staff benefits” and “on alternative funding mechanisms for unfunded liabilities of staff benefits”, of which after-service health insurance is the largest but not the only liability. Thus only 35 C/Resolution 95 actually refers to the Medical Benefits Fund (MBF) and the study referred to in Chapter XI is not the actuarial study on unfunded liabilities referred to in 34 C/Resolution 73, which is a separate and independent study, as indicated by the Comptroller in the annual MBF Financial Statements. In consequence, the statement in paragraph 75, that the Fund “has already accumulated actuarially determined unfunded liability amounting to US \$640 million as of 31 December 2007” is not correct on two counts: the unfunded liability attributable to after-service health insurance was \$614 million as of 31 December 2007, and the Medical Benefit Fund, which is a separate Staff Fiduciary Fund, had a reserve of \$27 million as of 31 December 2009.

2. STU is thus of the opinion that it is inappropriate to combine the issue of the MBF with the much more general and system-wide unfunded liabilities question. It may be recalled that the issue of unfunded liabilities has been recognized by all organizations of the common system, regardless of whether they have a health insurance scheme like the MBF or are covered by a private insurer as is the case in Rome, Vienna or New York. STU, therefore, believes that there should be no reference to either 34 C/Resolution 73 or 180 EX/Decision 35 under the heading “XI. Results of the study on the Medical Benefits Funds”, and that, as a consequence, the references to unfunded liabilities in paragraphs 75, 77 and 78 have no place in Chapter XI of document 184 EX/5.

3. Turning to the report referred to in paragraphs 71 to 74 of the above-mentioned Chapter XI, the STU notes that the MBF Board of Management was provided with only Part I of the study in February 2010. This part, Actuarial Review, contains by its own admission, “no critical analysis or recommendations”, and while it estimates increases in the costs of medical benefits to 2019, it does not include any estimate of the increases in contributions that would be needed to meet these costs. Nor does it provide projections on the basis of different assumptions, which were requested in a formal Resolution of the General Assembly of participants in March 2009, and were confirmed by the Director HRM. If only the one variable, expenditure, is increased, it is self-evident that there will be a shortfall of contributions against expenditure.

4. With reference to paragraph 76 and the measures to be taken to address the financial situation, STU would wish to draw attention to Article 1 of the MBF Rules, which states that the MBF is “a mutually financed and autonomous health insurance scheme based on principles of solidarity”, and to Article 6.4 which provides for changes in the scale of contributions, and that increases in contributions were last made in 1990 and 1996.

5. It is regrettable that the comprehensive report on the MBF is to be delayed until the 185th session of the Executive Board, particularly in view of the assurances of the Representative of the Director-General, to questions raised by members of the ADM Commission when discussing document 35 C/37, that the review would be completed by the end of November 2009. This date was subsequently confirmed by DIR/HRM on several subsequent occasions.



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**REPORT BY THE DIRECTOR-GENERAL ON THE FOLLOW-UP TO DECISIONS
AND RESOLUTIONS ADOPTED BY THE EXECUTIVE BOARD AND THE
GENERAL CONFERENCE AT THEIR PREVIOUS SESSIONS**

ADDENDUM 4

**VIEWS OF THE INTERNATIONAL STAFF ASSOCIATION OF UNESCO (ISAU) ON THE
REPORT BY THE DIRECTOR-GENERAL ON THE FOLLOW-UP TO DECISIONS AND
RESOLUTIONS ADOPTED BY THE EXECUTIVE BOARD AND THE GENERAL
CONFERENCE AT THEIR PREVIOUS SESSIONS (184 EX/5)**

SUMMARY

In conformity with item 2805.7 of the UNESCO Administrative Manual, the International Staff Association of UNESCO (ISAU) submits its observations on the report by the Director-General on the follow-up decisions and resolutions adopted by the Executive Board and the General Conference at the previous sessions.

Plan of work to improve geographical representation of the staff of the Secretariat

1. ISAU notes the efforts made to achieve the goals set in regard to geographical representation, but emphasizes that there is still much to do. It hopes that the progress already achieved will not be jeopardized by the new measures to reform resource management, in particular those relating to mobility, recruitment, contractual arrangements, or by the many retirements taking place in the next few years.
2. Furthermore, ISAU believes that it would have been useful to present in the report under consideration more detailed information on the trends observed in implementing 34 C/Resolution 82 with regard to improving the gender balance at the senior management level in the Secretariat.
3. In addition to the measures proposed to improve the geographical distribution and gender balance of staff with a view to complying fully with the General Conference's request in paragraphs 5 and 6 of 35 C/Resolution 93, ISAU suggests that the Director-General submit a report on how she intends to evaluate and achieve the improvements requested, such as the use of "performance agreements" (or mission contracts) of senior officials, human resources action plans and communication activities.
4. Lastly, ISAU recalls that the rules governing the selection of staff, geographical distribution and gender parity apply to the whole Secretariat, including senior management. Our Association would also like to point out that the system of desirable ranges are supposed to apply to countries and not to regions or groups of countries.
5. Yet in that connection, we find that in Tables 2 and 3 of the document under consideration, the staff distribution of UNESCO is illustrated by regional groups. ISAU consequently recommends that the FA Commission request the Director-General to include in future reports statistics on the geographical distribution of staff by country.

For the Executive
Sidiki COULIBALY
President of ISAU