

Hundred and sixty-second Session

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Item 3.1.3 of the provisional agenda

**PROPOSALS OF THE DIRECTOR-GENERAL FOR STRENGTHENING
THE REPORT ON THE EXECUTION OF THE PROGRAMME AND BUDGET (C/3)
AND STRUCTURE OF THE REPORT BY THE DIRECTOR-GENERAL
ON THE ACTIVITIES OF THE ORGANIZATION IN 2000-2001 (32 C/3)**

SUMMARY

At its 161st session, the Executive Board considered possible ways of strengthening the Report of the Director-General on the activities of the Organization during the previous biennium (C/3), and requested that the Director-General submit to it proposals for its strengthening.

Responding to the request of the Executive Board as laid out in 161 EX/Decision 3.1.3, the Director-General examined the current contents and mechanisms for producing the C/3 document, and submits herewith proposals on the measures to be taken to ensure that the C/3 document becomes a more effective tool for management and corporate governance.

Decision required: paragraph 28.

PART I. INTRODUCTION

1. At its 161st session, the Executive Board noted, with satisfaction, the significant improvements that had been made in the Report by the Director-General on the Activities of the Organization (31 C/3). However, in the expectation that further improvements could be made to strengthen this important tool for corporate governance, it requested that the Director-General propose measures to further strengthen the Report.

2. The Board also requested that the Director-General ensure that in future, the Report be submitted to it within six (6) months of the end of the biennium so that the “lessons” that it outlines can be fed into the future planning and preparation of subsequent biennial Programme and Budget documents (C/5). Furthermore, such “lessons” could eventually contribute to any amendments that the General Conference may consider necessary under the rolling plan strategy approach envisaged in document 31 C/4.¹

3. The present document proposes ways in which the requests of the Board can be carried forward. In Part II, the document presents the measures which could be introduced gradually in order to strengthen the C/3 document. Some of these (submission within six (6) months of the end of the biennium for example) can already be introduced during the drafting of document 32 C/3. It should however be understood that document 32 C/3 will be a transitional document. The majority of the proposed measures will only be applicable during the drafting of subsequent C/3 documents.² In Part III of the document, a proposition is put forward for the future structure of document 32 C/3, based on some of the measures proposed in Part II.

4. The Board may wish to note at this stage, that the “new” C/3 document that the Director-General is proposing is distinct from the “18-month” report presented to it in the last session of the biennium in that the C/3 document covers the whole biennium. There are also other elements, reflected in Part II of this document, that mark the distinctness of the two reports.

PART II. PROPOSALS FOR STRENGTHENING THE REPORT

5. The C/3 document should serve three principal objectives:

- (a) help management monitor programme implementation and performance and to use the valuable lessons learned to improve policy and programme design, thereby enhancing the strategic planning of the Organization;
- (b) highlight unforeseen risks that might affect the achievement of expected outcomes and results, and help formulate actions that could be taken to address those risks; and
- (c) be one of the mechanisms by which the Director-General provides accountability on programme delivery and management of the Organization to the governing bodies.

6. In order to achieve these objectives, the following proposed measures need to be undertaken:

¹ Document to be considered, finalized and approved by the General Conference at its 31st session.

² It is expected that, if approved, all the measures presented in this document will be applicable by document 33 C/3.

Proposal 1.

Sufficiently early production of the C/3 document in order to allow it to be used in subsequent amendments to the Medium-Term Strategy and formulation of the biennial Programme and Budget (C/5) for the Organization.

7. The “lessons learned” in past C/3 documents have tended to be insufficiently fed into the formulation of subsequent C/4 and C/5 documents partly because the timing of submission of the different documents has made it impossible. It is therefore crucial to produce the C/3 document within a shorter timescale in order to allow for such feedback. As such, the Director-General proposes to begin the drafting of document 32 C/3 immediately after the end of the 30 C/5 biennium, and to submit it to the Executive Board at its 165th session in autumn 2002, when it will start its deliberations on the contents of document 32 C/5.

8. The examination of document 32 C/3 and the preliminary proposals for document 32 C/5 at the same session will allow for the latter document to reflect how the “lessons learned” from document 32 C/3 have been fed into the new Programme and Budget document.

Proposal 2.

Arrangements to help strengthen the linkages between the C/3 document, and the C/4 and C/5 documents.

9. Starting from document 33 C/3, the Director-General’s Report on the Activities of the Organization will seek to measure performance by assessing the extent to which the results expected as defined in the corresponding C/5 document, as well as the outcomes stated in the C/4 document, have been achieved.

10. In addition, the C/3 document will identify any obstacles or risks that have been identified during the implementation stage of the corresponding C/5 document, and that could affect the achievement of programme objectives and outcomes. It would propose actions that are needed to manage these risks, which actions would then be fed into the C/4 and future C/5 documents. By the same token, the C/3 document may identify those areas in which the Organization does not play a role but where the contribution of UNESCO would give “added value”.

11. Finally, the C/3 document will contain an independent chapter that will sum up and analyse the self-evaluations submitted by programme sectors, identifying potential risks and opportunities, and making recommendations that could eventually inform the evolution of the rolling plan C/4 and subsequent C/5 documents (see Annex).

Proposal 3.

Formulating of results and pre-establishing measurement criteria that would then be validated on a sample basis by the Internal Oversight Service (IOS).

12. In document 31 C/3, programme sectors presented “results” that, in their judgement, had been achieved. They also related what they considered to be “particularly successful/unsuccessful activities” and assessed the contribution that programmes were making to the achievement of the Organization’s objectives. However, no common definition or criteria for measuring performance (performance indicators) were applied across the sectors, nor were the data validated. In consequence, the definition of “results” and the criteria used to identify “particularly successful/unsuccessful activities” varied from sector to sector. This tended to compromise the credibility of the report as a source of comparative information.

13. There is therefore a need to establish clear criteria/indicators for measuring performance at the time of programme and budget planning. These criteria/indicators should be the result of consultations between the programme sectors, the Bureau of Strategic Planning (BSP) and IOS, and should form an integral part of the work plans (programming documents) of the sectors. Achievement of results expected at the time of programming will then be measured by those criteria/indicators, thus facilitating the monitoring and reporting on programmes, an ongoing task that is carried out by BSP, using SISTER.

14. At its 161st session, the Executive Board suggested that there was a need for systematic validation of the integrity of the data contained in the C/3 document, as well as the analysis of such data. To achieve this, various factors need to be subjected to scrutiny, among which:

- (a) *the source of information*: the quality (whether the source of information is reliable); the nature (whether information was gathered from a balanced variety of sources); the means of collection (direct/indirect); and the quantity (whether sufficient data have been gathered);
- (b) *the processing of collected data*: whether the gathered data – quantitative or qualitative – have been properly processed;
- (c) *the methodology of analysis*: whether the data have been adequately and logically analysed; and
- (d) *the measurement criteria*: whether such criteria were applied in an appropriate and consistent way.

15. The task of validation is one that should rest with IOS, nevertheless working closely with BSP. Such validation would be on a sample basis and be undertaken by way of consultation with each sector. IOS would also draw upon the expertise of External Auditors in terms of the approach to be applied. The External Auditors would in turn be able to give feedback to the Executive Board.

Proposal 4.

Inclusion by programme sectors of extrabudgetary funded activities when reporting on their activities.

16. In the past, the C/3 document has only tended to deal with activities financed under extrabudgetary resources if and when they were connected with regular budget programme activities. This despite the fact that extrabudgetary resources account for a large part of the overall budget allocated to programme execution, and the fact that activities financed in this manner play a significant role in achieving the objectives of the Organization.

17. If the C/3 document is to provide a global overview and a comprehensive analysis of the activities of the Organization, it is important that the document be brought in line with the improvement already introduced in documents 31 C/4 and C/5 in this respect. As such, it is proposed that future reporting in the C/3 document include all activities financed with extrabudgetary funds, and that such reporting demonstrate the manner in which they complement regular programme activities.

Proposal 5.

Distinct chapter which includes a summarized version of the results of relevant audits.

18. At present, the C/3 document makes no reference to audits (internal and external) that are relevant to programme execution. Yet it is clearly important that there should be such reference if the Report is to be as transparent and accountable as possible. It is therefore proposed that future C/3 documents feature summarized results of relevant (internal and external) audits,³ accompanied by a commentary. Such results will feature as a separate chapter in the section of the C/3 document on the management of the Organization.

19. Furthermore, the Director of IOS will provide an annual report of the activities of IOS, cross-referencing as necessary to the commentary in the C/3 document. The first such summary report will be presented to the 165th session of the Executive Board in autumn 2002.

Proposal 6.

Strengthen section of Report on management of the Organization by improving the quality of the information contained therein.

³ It should be noted that summarized results will be based on the External Auditor's draft report since the final report is not produced until after publication of the C/3 document.

20. The effectiveness of the management of the Organization has a very direct relevance to the extent to which programme outcomes are secured. For example, shortcomings in human resource capacity could put the achievement of programme outcomes at risk. At present this section of the report is narrative and does not provide a full assessment of work undertaken and results obtained, measured against pre-defined criteria.

21. It is proposed that necessary criteria for such measurement be developed and that they be used to strengthen the quality of the reporting. Furthermore, a particular focus will be an assessment of the performance and capacity of staff in the Human Resource Management section in order to ensure that any human resource weaknesses do not stem from this source.

Proposal 7.

Include relevant parts of reports on outcome of programme activities, provided by National Commission, into sectoral contributions to the C/3 document.

22. A number of programme activities are implemented by and/or with the help of National Commissions. They are called upon to provide progress reports on such activities, as well as a final report on the outcome(s) of individual projects.⁴

23. Given the important role that National Commissions play in achieving the objectives of the Organization when implementing these programme activities, the preparation of the C/3 document would clearly benefit from the reports that are the results of National Commission evaluations. It is therefore proposed that each programme sector be encouraged to take into consideration the reports submitted to it by National Commissions when preparing its contributions to the C/3 document.

Proposal 8.

Reflection of results of external evaluations, carried out during the biennium, in sectoral contributions to the C/3 document.

24. A number of external evaluations of UNESCO programme activities are carried out every year and comments by the Director-General on these are submitted to the Executive Board, with the full texts of the evaluations being made available to Member States. Although the projects subject to such evaluations form an integral part of the programme activities of each sector, it is not clear to what extent the outcome(s) of such evaluations have been reflected in the results of evaluations undertaken by programme sectors.

25. It is proposed that in future, all projects that have been externally evaluated be identified in the C/3 document, and that the “lessons learned” highlighted in such evaluations be reflected in the sectoral contributions to the Report.

⁴ 161 EX/Decision 8.4. The Director-General is requested to take measures to implement those proposals.

Proposal 9.

Concluding chapter summarizing the key cross-cutting issues that have emerged in the Report.

26. It is proposed that the C/3 document should contain, in future, a short chapter that would:

- (a) *summarize key issues* emerging from the report (on the balance between successful and less successful activities, and on the contribution the programmes have made to the achievement of objectives);
- (b) *show how “lessons learned”* have been reflected in subsequent programming (see paragraphs 7 and 8 above);
- (c) *identify any cross-cutting risks* that may affect the achievement of ongoing programme outcomes, as well as make proposals for how those risks could be managed in the future;
- (d) *identify any cross-cutting opportunities* that could constitute future niches of action for the Organization;
- (e) *make proposals for further enhancements* to the format of the C/3 document.

PART III. STRUCTURE OF THE REPORT (32 C/3)

27. In conformity with paragraph I.1(b) of the guidelines concerning the C/3 document,⁵ contained in 100 EX/Decision 5.1.1, and taking into account the proposals mentioned in Part II above, the proposed structure and main headings for document 32 C/3 are as follows:

INTRODUCTION BY THE DIRECTOR-GENERAL

PART I. REPORT ON IMPLEMENTATION

I. IMPLEMENTATION OF PROGRAMMES

I.A MAJOR PROGRAMMES

MAJOR PROGRAMME I – Education for all throughout life

I.1 Basic education for all

I.2 Reform of education in the perspective of education for all throughout life

UNESCO EDUCATION INSTITUTES

UNESCO International Bureau of Education (IBE)

UNESCO International Institute for Educational Planning (IIEP)

UNESCO Institute for Education (UIE)

⁵ I.1(b) of the guideline states that “the structure of the Report should correspond in general with that of the Approved Programme and Budget”.

MAJOR PROGRAMME II – the Sciences in the service of development

- II.1 Advancement, transfer and sharing of scientific knowledge
- II.2 Sciences, environment and socio-economical development
- II.3 Philosophy, ethics and human sciences

MAJOR PROGRAMME III – Cultural development: the heritage and creativity

- III.1 Preservation and enhancement of the cultural and natural heritage
- III.2 Promotion of living cultures

MAJOR PROGRAMME IV – Towards a communication and information society for all

- IV.1 Free flow of ideas
- IV.2 Bridging the communication and information gap

TRANSDISCIPLINARY PROJECTS

- Culture of peace
- Education for a culture of peace
- From interculturality to cultural pluralism

TRANSVERSE ACTIVITIES

- UNESCO Institute for Statistics
- Anticipation and future-oriented studies
- Fellowships and Procurement Services and Related Programme Support
- Coordination of activities in favour of priority groups
- Coordination of activities concerning Towards a culture of peace

PARTICIPATION PROGRAMME

I.B. INFORMATION AND DISSEMINATION SERVICES

II. MANAGEMENT OF THE ORGANIZATION

PART II. SUMMARY AND CONCLUSION

I. SUMMARY OF KEY ISSUES

II. INPUT TO PROGRAMME PLANNING

III. MANAGING RISKS IDENTIFIED

IV. ENHANCEMENT PROPOSED FOR SUBSEQUENT C/3 DOCUMENTS

28. In the light of the above, the Executive Board may wish to consider the following draft decision:

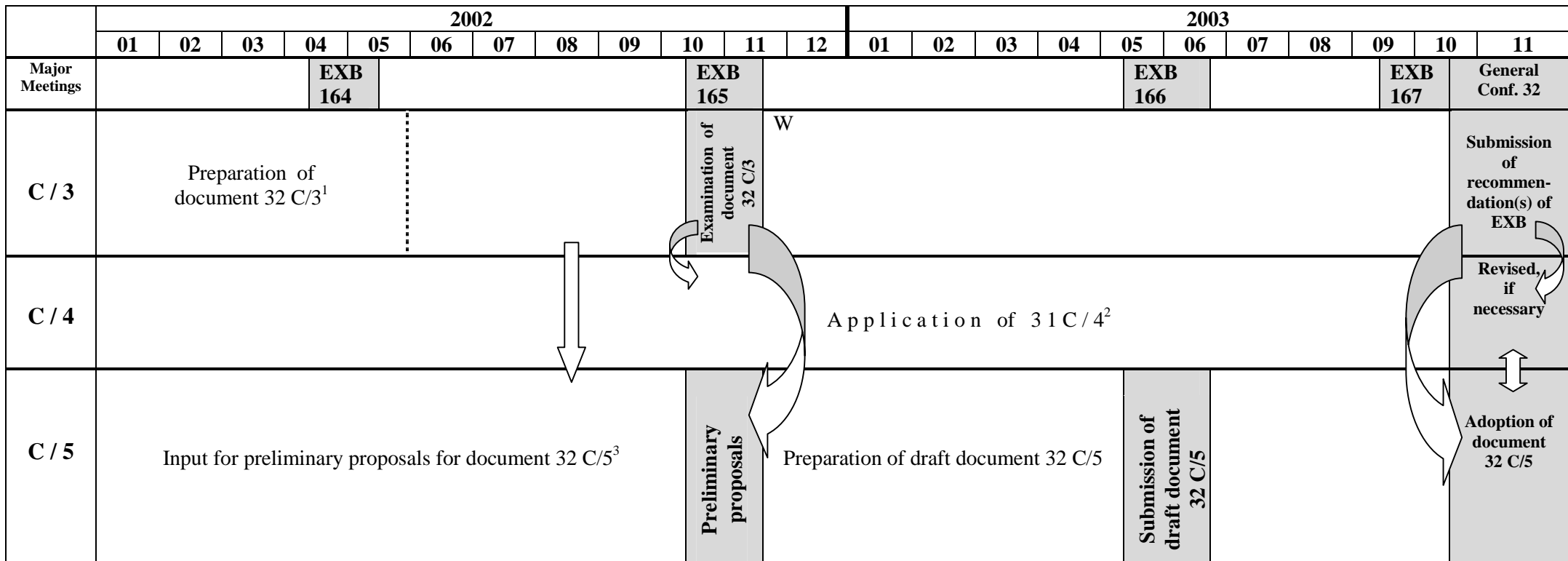
The Executive Board,

1. Recalling 161 EX/Decision 3.1.3,

2. Having examined document 162 EX/6,
3. Approves the Director-General's proposals on measures to strengthen the C/3 document and invites him to implement such measures in order to strengthen the Report of the Director-General on the Activities of the Organization (C/3);
4. Further invites him to prepare document 32 C/3 in accordance with the structure of the Programme and Budget for 2000-2001 (30 C/5), taking into account the improvements already made in documents 31 C/4 and C/5, and to submit it for its consideration at its 165th session.

ANNEX

PROPOSED CYCLE FOR PREPARING C/3, C/4 AND C/5 DOCUMENTS (2002-2003)



¹ Document 32 C/3 covers the biennium 2000-2001.
² Document 31 C/4 covers the period 2002-2007.
³ Document 32 C/5 covers the biennium 2004-2005.

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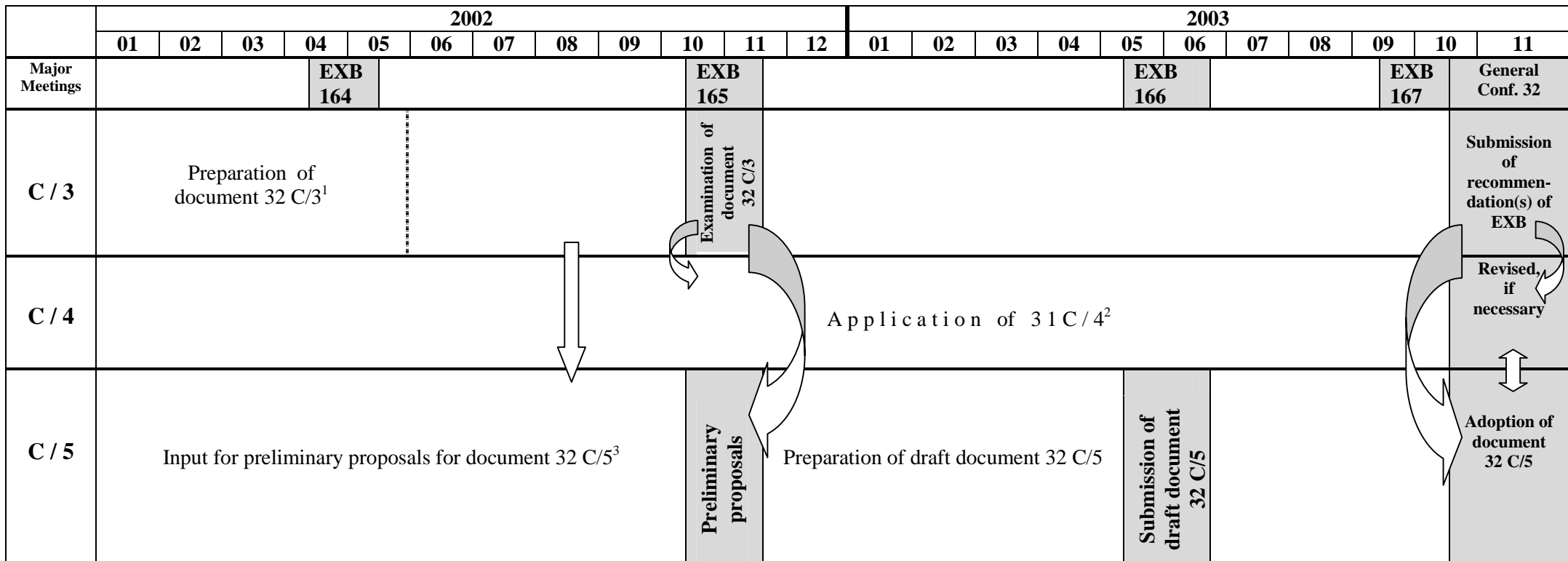
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CORRIGENDUM

In the annex to this document, “Proposed cycle for preparing C/3, C/4 and C/5 documents (2002-2003)”, an error occurred in the position of an arrow. Please see the corrected version attached.

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PROPOSED CYCLE FOR PREPARING C/3, C/4 AND C/5 DOCUMENTS (2002-2003)



¹ Document 32 C/3 covers the biennium 2000-2001.
² Document 31 C/4 covers the period 2002-2007.
³ Document 32 C/5 covers the biennium 2004-2005.