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REPORT BY THE DIRECTOR-GENERAL ON THE REFORM PROCESS

PART I

STAFF POLICY

SUMMARY

In accordance with 177 EX/Decision 6 (I) and 34 C/Resolution 68 (I), the Director-General reports on the implementation of the human resources policy framework and the approved medium- and long-term staffing strategy.

This document contains financial and administrative implications: see paragraph 4.

Action expected of the Executive Board: proposed decision in paragraph 27.

SECTION I: FACTS AND FIGURES IN 2006-2007

Appointments and promotions

1. In 2006-2007, a total of 203 appointments were made to posts at the Professional level and above (175 to P and 28 to D posts). These figures are comparable to those from past biennia. Of these 203 appointments, 123 (61%) were internal candidates and 80 (39%) external candidates. These figures show that in the recruitment process, the career advancement of qualified staff members is given due consideration, while the external intake allows for a renewal of talents and skills.

2. In 2006-2007, the majority of the 264 promotions resulted from competition to a higher graded post 126 (48%); 104 (39%) resulted from job reclassification and 34 (13%) from advancement in split-grade posts.¹ The total number of staff promoted in 2006-2007 represents 13% of the total staff, i.e. 6.5% per year. These promotion trends are in line with the practices in other United Nations agencies.

SECTION II: UPDATE ON THE HUMAN RESOURCES POLICY FRAMEWORK SINCE JULY 2007

3. The Director-General reported to the General Conference at its 34th session on the progress achieved in the implementation of the human resources policy framework during the period 2006-2007. This report gives an update on developments from July 2007 to June 2008.

Consultant policy

4. The revised consultant policy has been issued, together with guidelines on selection, contracting and evaluation. The policy introduces a single contract for individual consultants (fee contracts being henceforth reserved for contracting entities), with remuneration rates aligned on the United Nations common system and a contract duration of up to 11 months. A documented selection and evaluation process has been introduced, to ensure quality and objectivity in the contracting process. In order to widen the selection base, a roster of consultants was developed. Generic profiles will be advertised online allowing consultants with the appropriate skills, expertise and experience to register their interest for possible future assignments within the Organization, thus providing a wider pool of potential candidates from which the hiring units can select.

Performance assessment

5. The completion rate of performance reports was 64% for 2006-2007 (at Headquarters), compared to 77% in 2004-2005 and 51% for field offices. Review Panels, held across the Organization, provide a collective way of ensuring the quality, objectivity and consistency of performance evaluations. A closer monitoring of the performance assessment exercise will be ensured during this biennium, to improve the completion rate for 2008-2009.

6. Some field offices experienced difficulties of connection to the online performance assessment tool (PERFOWEB). To address this issue, PERFOWEB-Field was developed and launched in the second quarter of 2008. It will allow staff members with Internet access or bandwidth difficulties full access to PERFOWEB. HRM also carried out a survey to improve the ergonomics of PERFOWEB. As a result, technical improvements will be undertaken.

¹ Such as P-1/P-2 posts.

Performance agreement for senior managers

7. The Performance Agreement for Senior Managers was implemented in 2008 for senior managers (ADGs, Directors of Bureaux and Directors/heads of field offices). The Agreement covering the 2008-2009 biennium identifies clear accountabilities in programme planning and delivery, external relations and partnerships, people management and budget/financial management. By the end of 2009, the performance of senior managers will be assessed on the basis of results achieved in these four areas.

Merit-based promotion programme

8. To complement the promotion policy, the Bureau for Human Resources Management has implemented in 2008 a new merit-based promotion programme. The programme, implemented on a pilot basis, aims at rewarding particularly outstanding achievements. A budget of US \$1 million has been allocated for merit-based promotions within the \$2 million global reserve for reclassification/merit-based promotions approved by the General Conference.

9. The assessment criteria include demonstrated results, performance, mobility, as well as the ability to perform at a higher level and, for more senior posts, demonstrated managerial skills. For professional staff, particular weight is given to geographical mobility.

10. As provided for in the policy, recommendations for merit-based promotions were integrated in the performance assessment process, and carefully reviewed by the Review Panels. A Promotion Panel, chaired by the Deputy Director-General and comprising four members designated by the Director-General, including two heads of field offices, and one observer for each staff association, reviewed the recommendations for promotions in June 2008. The Director-General approved 34 merit-based promotions. The names of the promoted staff were communicated to all staff, as a public acknowledgment of their exceptional contribution.

The Director-General team award

11. The “Director-General Team Award”, a non-monetary award to recognize outstanding team contribution, will be implemented in early 2009. This award will reward qualities such as teamwork, sense of initiative, innovation, creativity and service-orientation. Team awards will be given once per biennium by the Director-General. The award will be accompanied by a written testimony (a plaque or a note of appreciation).

Learning and development framework (2008-2009)

12. In 2006-2007, the training budget of \$6 million showed an execution rate of 99.5%, with a total of some 8,044 participants to training sessions. For the 2008-2009 biennium, the training budget decreased from \$6 million to \$5.5 million. The overall budget represents 1.5% of staff costs (the benchmark for learning costs adopted by the United Nations Chief Executives Board for Coordination (CEB) in 2004 is 2%). The corporate training plan for 2008-2009 prepared by the Learning and Development Commission and approved by the Director-General focuses on the following learning priorities: the enhancement of the professional competencies for programme delivery, the enhancement of the management and accountability culture, the enhancement of the organizational effectiveness within the United Nations system and within UNESCO and the support to learning and development activities.

13. One fourth of the budget (\$1.3 million) was delegated to sectors, bureaux, field offices and category 1 institutes to support their specific training and development needs.

Training implementation update

14. HRM developed and released in 2008, to all UNESCO managers and supervisors, a comprehensive CD self-learning tool “Managing people with confidence”. This new tool outlines

relevant HR policies and procedures, typical issues in their implementation, and real-life scenarios, tips and exercises to enhance people management knowledge and skills. This learning tool contains seven modules which describe the role of managers and supervisors and provides guidance in assuring some key managerial responsibilities such as defining the functions of a post, undertaking the recruitment process, effectively managing the performance of staff, and better motivating them individually or as part of a team. It also provides tools and tips on how to prevent and better manage conflicts in the workplace, and to ensure that the code of conduct is respected. Each module finishes with a self-assessment, and the Director-General has asked senior management to ensure that all their respective managers and supervisors undertake this training by 30 September 2008.

15. Workshops were also held on RBM, IPSAS, administrative skills, institutional training and SISTER 2. Online learning tutorials were made available to all programme and administrative staff on the contracting of services, financial management and control, mission travel, and FABS. Some 82 Headquarters staff participated in awareness-raising sessions on HIV/AIDS and its prevention at the workplace.

16. A revised Orientation and Briefing Programme was also implemented. The Briefing Programme focuses on the staff member's job and how it should be done. It involves meeting with colleagues at Headquarters, sharing experience, providing tips of how best to get the job done, what to do and what to avoid. It is a good opportunity to create a network. The briefing is complemented by the Institutional Training Programme which introduces new recruits to UNESCO's history, mandate, functioning, its environment, management, and also promotes the idea of working for ONE organization and towards the same objectives. This programme of six modules is offered within six months of entry on duty. At Headquarters it is a three full-day programme, except for Directors, where it is offered by short modules. In field offices, it takes the format of a team-building exercise attended by all staff and ending up with an action plan.

17. UNESCO continues to actively contribute to common United Nations system learning initiatives. In June 2008, UNESCO hosted the annual United Nations Learning Managers Forum in Paris with representatives from about 50 agencies and key speakers from the United Nations and the private sector.

Evaluation of training programmes

18. An external evaluation of UNESCO's Leadership and Change Management Programme (LCMP) was recently completed. 204 managers have participated in the programme since its inception in 2002. The evaluation focused on LCMP's relevance, effectiveness, impact, sustainability and cost-effectiveness; it concluded that while LCMP was relevant in UNESCO's current context, it would need to be revised to meet UNESCO's future challenges. HRM is redesigning the training programme to include as main themes, among others, risk management and gender, taking into account the recommendations of the evaluation review. The new LCMP will be launched towards the end of 2008. A summary of the evaluation report is included in document 180 EX/30, and the full report is on the IOS website.

Career development initiatives

19. The career support programme at UNESCO has four main pillars: (1) Career Support Tools and Services – tangible deliverables to staff members and supervisors; (2) the Career Support Framework, or macro-level initiatives that support career development, such as the Competency Framework, the Pilot Mentoring Programme, Inter-Agency Mobility Mechanisms, Succession Planning; (3) Performance Management; and (4) Management Assessment and Development.

20. In 2008, the following career tools and services were introduced. Training was provided in June 2008 on "CV and motivation letter writing", with favourable preliminary feedback from the participants. The next session will take place in September 2008. A UNESCO career guide has

been developed and will be published in the third quarter of 2008. The purpose of this guide is to provide staff and managers with concise information on the fundamentals of career development and the job search process. A new training portal is being developed to facilitate information on new CD courses, including a catalogue, online registration and evaluations, and will be operational by September 2008. A new pilot mentoring programme is being developed and will be implemented in the autumn of 2008.

21. The Assessment Centre Programme is in place and being used for the recruitment and development of middle and senior managers.

Ethics programme

22. The Ethics Officer post (P-5 ALD post) was advertised in June 2008. As soon as he/she will be recruited, work will start on the ethics programme which will include the provision of advice on ethics issues (ethics help-line), ethics training and briefings, the establishment of a voluntary disclosure channel, a whistleblower protection policy and financial disclosure arrangements for senior staff and staff performing sensitive functions.

Disciplinary measures

23. Further to the External Auditor's recommendations, a new Manual item on disciplinary measures has been finalized, after consultations with the Advisory Council of personnel policies and the staff associations. The new item, which clarifies and supplements the current disciplinary measures, is being published.

SECTION III: IMPLEMENTATION OF THE MEDIUM- AND LONG-TERM STAFFING STRATEGY

24. The medium- and long-term staffing strategy, approved by the General Conference in 2005, covers the period 2005-2010. Through the implementation of a wide range of human resources initiatives, the strategy aims at ensuring that UNESCO's staff profile matches a programme-focused, results-oriented and cost-effective Organization. A full progress report, covering the period 2006-2007 was submitted to the General Conference in September 2007 (34 C/28). A progress summary is available in the Annex.

Geographical distribution

25. The improvement of the geographical diversity and the gender balance in the workforce is a key objective of the staffing strategy. Progress has been constant in both areas: UNESCO has reached 84% of representation of its Member States, one of the highest rates within the United Nations agencies. A detailed update of the geographical distribution situation can be found in document 180 EX/5.

Gender action plan: implementation update

26. UNESCO has achieved gender parity for Professional staff from P-1 to P-5 (51%), but continues to show an imbalance at Director level (with 23% women Directors). To address this situation, UNESCO has developed a Gender Action Plan² which was approved by the Executive Board in April 2008. In this context, a series of measures have already been implemented: gender targets have been set for sectors and bureaux; short-lists of candidates for Director posts are to include a minimum of two women candidates; if not possible justification must be provided by the Evaluation Panels; gender parity will be ensured at the Advisory Boards on Individual Personnel Matters (PABs); exit interviews are in place for departing female staff at P-5 level and above. The Bureau for Human Resources Management has identified, in collaboration with sectors and the

² UNESCO's Gender Action Plan was submitted at the 179th session of the Executive Board (179 EX/5).

Section for Gender Equality (BSP/GE), professional associations and networks with a view to advertise vacancy announcements to attract more women candidates to apply for posts. A full update on the implementation of the Gender Action Plan will be presented at the 181st session of the Executive Board.

Action expected of the Executive Board

27. In the light of the foregoing, the Executive Board may wish to consider a decision along the following lines:

The Executive Board,

1. Having examined document 180 EX/6 Part I,
2. Takes note of the work accomplished in the implementation of the human resources policy reform framework and of the medium- and long-term staffing strategy;
3. Requests the Director-General:
 - (a) to pursue the implementation of the human resources policy reform framework, ensuring as appropriate harmonization with the United Nations common system policies and practices;
 - (b) to pursue the implementation of the medium- and long-term staffing strategy;
 - (c) to report to the Executive Board at its 182nd session and to the General Conference at its 35th session on the implementation of the human resources policy reform framework and of the medium- and long-term staffing strategy.

ANNEX

Medium- and long-term staffing strategy for UNESCO (2005-2010) Progress report June 2008

Policy Statement One: Staff resources will be concentrated on UNESCO's principal priority-related programmes and activities, ensuring that there is a stronger correlation between desired results and assigned resources.			
Expected results	Initiatives to implement the strategy	Time frame	Results achieved (June 2008)
The Programme and Budget for 2008-2009 will show a larger shift in the allocation of resources towards the principal priority-related programmes of the Organization.	<p>Undertake a review of overall issues relating to the allocation of staff resources to principal priority-related programmes, including:</p> <ul style="list-style-type: none"> • The allocation of the overall staffing and financial resources to each programme sector; • The allocation of staff resources within each programme sector to the principal priority-related programmes and activities of the Organization; • The appropriate allocation of programme staff at Headquarters and in the network of field offices, bearing in mind the need for a differentiated approach among different sectors, depending on their size and the nature of their programmes. 	Work will start in 2005 and will be completed in May 2006 so as to have the results reflected in the proposals for the 2008-2009 Programme and Budget and document 34 C/4.	Reviews of ED, CLT and CI Sectors staffing/ organization carried out. Greater allocation of resources to priority programmes in ED, CLT and CI. These results have been reflected in document 34 C/5. The review of SC and SHS is under way.
Policy Statement Two: The network of field offices will be adequately resourced with an appropriate allocation of staff.			
Expected results	Initiatives to implement the strategy	Time frame	Results achieved (June 2008)
Field network structures are adequately staffed, enabling them to meet their responsibilities and respond to new opportunities.	<p>The following initiatives, to be considered in the framework of the Report by the Director-General on Decentralization (171 EX/6 Part III, 33 C/25 Part III) shall be undertaken:</p> <ul style="list-style-type: none"> • Review the resources dedicated to support functions in field offices (Policy Statement Three); • Make more systematic use of National Professional Officers (Policy Statement Six); • Undertake advance planning for the recruitment/rotation of heads of field offices (Policy Statement Nine); • Map the skill sets of staff across the Organization; • Ensure that each field office has adequate and well-trained administrative capacity (Policy Statement Three); • Ensure that each cluster office has a deputy head of office at P-4/P-5 level. 	<p>April 2005-May 2006, to be reflected in document 34 C/5 2006 onwards</p> <p>December 2005</p> <p>2008-2009</p> <p>2006 onwards</p> <p>2005 onwards</p>	<p>Document 34 C/5 shows net increase in field posts.</p> <ul style="list-style-type: none"> • The Decentralization Review Task Force is currently reviewing the field staffing structure. • NPO number increased from 65 to 72 in document 34 C/5. • Advance planning for heads of field offices is undertaken on an ongoing basis. • Following the completion of two pilot projects in CI and HRM, HRM developed a competency framework for UNESCO P/Gs staff, which is being validated. HRM will undertake similar projects in other programme sectors during 2008-2009. • Administrative capacity upgraded in field offices through enhanced training (145 field administrative staff trained since 2004). One workshop took place in May 2008 with two additional ones planned for 2008-2009. • Creation of Deputy Head of Office posts could not be implemented (budget constraints).

Policy Statement Three: Administrative and support functions both at Headquarters and in the network of field offices are carried out in a more cost-effective way, in order to dedicate resources to principal priority-related programmes and activities.			
Expected results	Initiatives to implement the strategy	Time frame	Results achieved (June 2008)
Support and administrative functions are clearly defined, streamlined and delivered in a cost-effective way. Staff resources dedicated to administrative and support functions are reduced and reallocated to principal priority-related programmes.	Carry out a comprehensive review of support and administrative functions in order to: <ul style="list-style-type: none"> define the core functions in each of those areas; clarify the roles of key support and administrative actors and eliminate duplication; realign the main support and administrative functions; streamline and simplify the administrative processes; identify the most cost-effective delivery approach for those functions, including further devolution of responsibilities to managers and Executive Officers, and the use of alternative sourcing arrangements. 	Work will start in April 2005 and will be completed in May 2006 so as to have it reflected in the proposals for the 2008-2009 Programme and Budget and document 34 C/4.	The Director-General has asked each central service to review their processes and make proposals for economies of scale and greater efficiency. Central services to report periodically to the Director-General on the progress of these reviews.
Policy Statement Four: Managerial capacity will be enhanced to ensure that managers are supervising appropriately sized units, have been delegated adequate decision-making authority, and are accountable for that authority.			
Expected results	Initiatives to implement the strategy	Time frame	Results achieved (June 2008)
The number of staff reporting to individual managers is increased, resulting in greater empowerment of staff, faster decision-making and greater organizational flexibility. Senior- and middle-level posts are reduced. The number of posts that focus purely on programmes are increased.	Undertake an organizational review of issues relating to the responsibilities and size of the work units and the span of managerial control, including recommendations on: <ul style="list-style-type: none"> the structure of sectors and central services; the managerial status of division directors and section chiefs. 	December 2006 so as to incorporate the changes in the 2008-2009 Programme and Budget and document 34 C/4.	Organizational reviews of sectors resulted in the rationalization/reduction of a number of programme divisions being reduced (ED: divisions reduced from six to four; CI: three sections reduced to two, and CLT has now four entities).The review of SC and SHS is under way. The number of D posts has remained stable, while the number of P-5 posts has reduced by 6% in document 34 C/5 compared to document 33 C/5.
Managers throughout the Organization have developed a clearer understanding of their roles and responsibilities. Management accountability is well defined.	Complete the delegation of authority framework for Headquarters and the field; Develop and implement accountability contracts for senior managers; Establish a corporate accountability committee chaired by Deputy Director-General; Make the Leadership and Change Management training programme mandatory for all senior managers.	Implemented Implemented Implemented Implemented	<ul style="list-style-type: none"> The Table of Authority has been developed and implemented in 2005. The Performance Agreement for Senior Managers implemented in 2008. The Delegation and Authority Committee in place since February 2005. Implemented since 2004. Some 260 senior managers trained. Mandatory to all senior managers.
Training is implemented.	Develop and deliver technical training in such areas as: accountability, United Nations programming, fund raising, programme planning, management and evaluation.	Implemented	Training developed and implemented. Corporate training for 2008-2009 approved by the Director-General.

Policy Statement Five: There will be well-established modalities for two employment streams: (i) a core staff employed on a long-term basis to run the Organization in a flexible, mobile and strategic way; (ii) a number of short- and mid-term staff (up to four years) and service providers to strengthen UNESCO's delivery capacity.			
Expected results	Initiatives to implement the strategy	Time frame	Results achieved (June 2008)
Staffing policies and tools defining the two employment streams and the profiles of programme staff are in place.	<ol style="list-style-type: none"> 1. Establish the modalities for two employment streams in the Organization: <ul style="list-style-type: none"> • A long-term stream of staff to carry out the core functions; • A short- and mid-term stream for cutting-edge expertise and advice, and to supplement the core staff. 2. Establish generic profiles for programme staff: <ul style="list-style-type: none"> • Long-term programme managers/programme officers with substantive knowledge in the field of expertise, project management, advocacy and networking skills; and • Short- and mid-term leading experts for programme implementation with relevant cutting-edge expertise and experience in the principal programme areas. 3. Develop new staffing requirements and contractual arrangements involving: <ul style="list-style-type: none"> • New/revised contractual arrangements; • New/revised staffing requirements and recruitment criteria; • New/revised assessment processes; • Competency frameworks for staff at P-1 to P-4; • Career path for staff employed on a long-term basis. 	2008-2009	The ICSC established a new contractual framework. The United Nations Secretariat is in the process of developing new contractual arrangements, in line with ICSC framework. Work has started on the revision of our current contractual arrangements and to identify the contractual needs of the Organization.
Mechanisms are in place to better equip the Organization to respond to post-conflict and natural disaster situations.	<ol style="list-style-type: none"> 4. Develop a rapid response capacity by: <ul style="list-style-type: none"> • Requiring each sector to define types of situations where UNESCO intervenes; • Defining the skill requirements for staff/personnel needed; reviewing existing administrative arrangements with a view to adapting them to a rapid deployment of staff; • Developing a roster of internal staff to be deployed; • Developing specific staff training modules for dealing with post-conflict and natural disaster situations; • Developing a roster of external experienced resources. 	Implemented	<p>13 key profiles required for post-conflict situations were developed. The roster consisting of 26 qualified and trained staff members ready to be deployed in post-conflict situations was established. A training programme was developed and delivered to staff on the roster.</p> <p>Roster of external resources has been developed within the consultant roster project (2008) and will be operational shortly.</p>
Policy Statement Six: Greater use will be made of National Professional Officers.			
Expected results	Initiatives to implement the strategy	Time frame	Results achieved (June 2008)
The number of NPOs is increased in the network of field offices.	<p>Strengthen the capacity of field offices by:</p> <ul style="list-style-type: none"> • defining core functions for NPOs; • reviewing the general work profiles for NPOs; • defining the recruitment criteria for NPOs; • defining training and development for NPOs. 	September 2005-May 2006	Document 34 C/5 shows an increase of NPO posts from 65 to 72. Review of NPO profiles, recruitment process and criteria to be undertaken in 2008.

Policy Statement Seven: The competency profile of staff in the General Service category will be further developed so as to fulfil new roles.			
Expected results	Initiatives to implement the strategy	Time frame	Results achieved (June 2008)
<p>The role of staff in the General Service category will be enhanced.</p> <p>The ratio of assistants to professional staff of 1:3 will be achieved.</p> <p>“Stand-alone” responsibilities will be clearly defined.</p>	<p>Define three main roles and competency requirements for staff in the General Service category:</p> <ul style="list-style-type: none"> • Programme assistants; • Administrative assistants; and • Personnel assistants. <p>Design career paths and development opportunities enabling career growth and functional mobility.</p>	2008-2009	<p>Two pilot projects to develop a competency framework for P/GS staff in CI and HRM were completed by end of 2007. HRM will undertake similar projects in other programme sectors during 2008-2009.</p> <p>Some 800 General Service job descriptions at Headquarters were reviewed and updated and, where appropriate, generic job descriptions were introduced.</p>
Policy Statement Eight: UNESCO will improve geographical diversity and gender balance in the workforce.			
Expected results	Initiatives to implement the strategy	Time frame	Results achieved (June 2008)
The number of non- or under-represented countries is reduced.	1. Assess the impact of retirements on geographical distribution and gender balance and develop action plan as required.	December 2005	Monitoring mechanism in place for the impact of retirements on geographical distribution and gender. Action plan, with objectives, developed for gender.
	2. Establish recruitment objectives for every biennium taking into account retirement data and include in accountability contracts of senior managers.	2006-2007	Gender recruitment targets established for D posts by sector for the 2008-2009 biennium. Overall geographical distribution targets established.
50% of the posts filled externally by nationals from under- or non-represented countries.	Continue efforts to reach out to a greater number of qualified candidates from under- and non-represented countries.	Ongoing	On target (more than 50% externally recruited geographical posts filled with non- and under-represented candidates). Recruitment mission conducted to South Korea in May 2008.
A rate of 40% of women at the senior level is achieved.	Rate was increased to 50% by the Director-General.	2015	Gender Action Plan approved by the Executive Board (179th session) and being implemented.
Policy Statement Nine: Within the overall human resources reform UNESCO has pledged to recruit and retain a highly qualified workforce, and to provide a stimulating work environment.			
Expected results	Initiatives to implement the strategy	Time frame	Results achieved (June 2008)
<p>Competencies of staff are enhanced.</p> <p>Morale and motivation are enhanced.</p> <p>Flexibility and staff mobility are improved.</p>	<p>1. Establish succession planning process. At the beginning of each year, HRM undertakes a staffing review with all sectors and bureaux with a view to planning future vacancies, recruitment and career moves of staff.</p> <p>2. Develop:</p> <ul style="list-style-type: none"> • Competency frameworks for P-1 to P-4 staff (see also Policy Statement Five); • Training and development plans to support the competency framework; • Appropriate contractual arrangements and benefits that promote UNESCO as an employer of choice (see also Policy Statement Five). 	<p>December 2005</p> <p>2008-2009</p>	<ul style="list-style-type: none"> • Advance recruitment established for heads of field office and field administrative officers in 2007. • Following the completion of two pilot projects in CI and HRM, HRM developed a competency framework for UNESCO P/GS staff, which is being validated. HRM will undertake similar projects in other programme sectors during 2008-2009.



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**REPORT BY THE DIRECTOR-GENERAL
ON THE IMPLEMENTATION OF THE REFORM PROCESS: STAFF POLICY**

ADDENDUM

SUMMARY

In accordance 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.

**VIEW OF THE INTERNATIONAL STAFF ASSOCIATION OF UNESCO (ISAU)
ON THE REPORT BY THE DIRECTOR-GENERAL
ON THE IMPLEMENTATION OF THE REFORM PROCESS
(180 EX/6 Part I)**

1. The International Staff Association of UNESCO (ISAU) wishes to make a few observations on fundamental issues referred to in the Report by the Director-General on the implementation of the reform process, Part I: Staff policy (180 EX/6 Part I), relating to appointments, promotions, including merit-based promotions, Evaluation and Performance Agreements. It hopes that the present contribution to the discussions on item 6 of the provisional agenda of the current session of the Executive Board will enable members of the Finance and Administrative Commission, through their deliberations and decisions, to help the Secretariat and its staff.
2. In these difficult times, our Association maintains excellent, frank and open working relations with the Deputy Director-General (DDG) and senior officials in the Bureau of Human Resources Management (HRM), in an atmosphere of open and constructive communication, in the interest of the staff. We do not always agree on everything with the representatives of the Administration. When our views do differ, however, they are resolved through mutual respect and in accordance with the regulations.
3. Similarly, for a year now, joint action for the common welfare and inter-union solidarity have been at the heart of ISAU's initiatives, in cooperation with its counterparts from the UNESCO Staff Union (STU). We work hand in hand to contribute, in particular, to regularizing the insecure status of many colleagues who have been employed for a long time under supernumerary or temporary assistance contracts, and to improving the rotation policy. The negotiations initiated in this connection with the DDG and HRM are currently under way.
4. The Administration has indeed already done a great deal, to the best of its ability, with regard to human resource management reform. We are also aware of the fact that under the pressure of budgetary constraints and zero nominal growth, which have lasted for eight years, the Director-General has never had, and still does not have, the means to face effectively the broad challenges posed by this reform. In fact, we continue to maintain that budgetary savings should not be made at the expense of staff, since it is the staff that is responsible for achieving the constantly renewed and increasingly complex objectives and priorities set by the Member States. We can but be disappointed at the slow pace of the much-awaited improvements to be brought about by the reform process.
5. Before returning to the issues of concern to us, the key message we would like to convey is the following: UNESCO and the Director-General cannot achieve their objectives without investing in staff as much as in the strategic management of human resources, and the Secretariat must be revitalized by improving working and employment conditions without delay.

Appointments and promotions

6. ISAU takes note of the progress made in 2006-2007 with regard to recruitment and appointments. Nevertheless, taking into account the reduction in the number of established posts, the small number of posts open to competitive examination and the fact that some posts, particularly high-responsibility posts, remain vacant for lengthy periods, what career prospects are there really for the staff? To this may be added a growing tendency to call on retirees and on officials due to retire – through what we consider to be excessive waivers. This prevents posts from being filled, for instance through internal promotion.
7. There is no doubt that such individuals' experience is an asset. If this practice persists to such an extent, though, is it not the result of inadequate planning by HRM, which does not seem to have planned either the succession or the renewal of staff required by the Organization? We are willing to stick together in times of budgetary constraint and, if necessary, to work twice as hard,

provided there is serious planning and anticipation – through training if need be – to facilitate the work of serving staff members and to motivate them. We firmly believe that this is essential in order to prepare the ground for their successors.

8. We also know that many colleagues think that the selection process is sometimes discriminatory in relation to certain nationalities, that it is not satisfactory in terms of improving opportunities for promotion, identifying highly qualified internal candidates and fostering the attainment of the goals of gender parity and equitable geographical representation. It must be recognized, however, that the Director-General is demonstrably more concerned to avoid irregular recruitment practices.

9. That has been reflected recently in the Director-General's recognition of the right of observers representing the staff associations to make objections to the procedure followed in the recommendations submitted to him by the Personnel Advisory Boards (PABs), in stricter oversight over situations of job insecurity, in the adoption of a new policy aimed at rationalizing the employment of consultants and, in a contentious case in respect of which ISAU is still providing legal assistance in order to secure reparations for the prejudice suffered by the rejected candidate, in the cancellation of an illegal appointment accompanied by a decision to re-advertise the post (P-5) in question.

10. We also welcome the promotions granted as a result of the reclassification of posts, within the framework of split-grade posts and under the merit-based promotion programme. Such internal promotions are indeed advantageous to the Organization: the persons concerned know UNESCO well and have a past history there, and their career development can be a source of motivation for other staff members. However, many qualified colleagues have no promotion opportunities. Others, who feel that promotion decisions are unjust, are likely to lose faith and be less efficient in their work.

11. As promotion opportunities dwindle as one rises in the hierarchy, the tension created by the gap between expectations and the few available posts on the one hand and the recent implementation of the pilot merit-based promotion programme on the other account for the current loss of motivation of candidates proposed under that programme but finally not promoted. As an observer on the merit-based promotion jury chaired by the DDG, ISAU can but attest to the transparency and objectivity of the members of that jury which ruled last June on the Sectors' recommendations concerning those promotions. We regret that very few colleagues have been promoted under that programme.

12. To mitigate the sense of frustration and injustice inevitably felt by colleagues proposed by their supervisors but not promoted under the programme, it is important to inform them of the reasons why their nominations were not retained either in the list submitted by their Sector or by the merit-based promotion jury. No doubt that would at least make it possible to give them better career development support.

Evaluation and performance agreements

13. A performance evaluation system fully integrated with other career organization mechanisms can be a useful instrument both for monitoring results and for supporting skills and career development. However, a link has not yet been properly established between the new performance evaluation and reporting system for Secretariat staff (PERFOWEB), participation in training programmes and the strategic management of professional skills and career paths. As a result, the information found in PERFOWEB is not systematically taken into account in the selection of internal candidates for recruitment to posts.

14. Moreover, the figures given in paragraph 5 of the report under examination indicate that: "The completion rate of performance reports was 64% for 2006-2007 (at Headquarters) ... and 51% for field offices". This means that 36% of our colleagues at Headquarters and 49% of those in

the field have been denied the possibility to establish a work plan, to agree with their supervisors on expected results and to receive an official evaluation. This is to be deplored. ISAU will see to it that the problem is quickly resolved, all the more so since the Administration has pledged to do so by the end of the year, and that the performance of the managers concerned is sanctioned accordingly.

Re-examination of the policy of rotation and temporary assistance contracts

15. Although document 180 EX/6 does not address the question of the revision of the rotation policy and temporary assistance contracts, these are two burning issues for UNESCO's staff and for its two associations. Let it be well understood: ISAU is not against mobility, quite the contrary, it is one of our functions, and we consider that field work is fundamental. However, if we want to achieve the desired results, we must first gauge the major difficulties of applying the rotation policy introduced in 2003.

16. For example, the absence of a real career development strategy; problems of reconciling professional and personal life, notably for households with two breadwinners; the need to preserve the institutional memory and capacities of the Organization; the shortcomings of the computerized human resource management system, notably the problem of updating information contained in the individual files. Another problem is that of professional staff belonging to a large number of different professional groups, who are not all present in all the duty stations. HRM must match the abilities of workers with the demands of their posts by making a record of all the possible posts they could occupy. Together with STU and by seeking the views of all staff on the issue in order to better defend their interests, ISAU recently began consultations with the Administration to contribute to the improvement of this policy.

17. Finally, we seek the full support of the delegations of Member States of the Executive Board on an issue that is extremely important to ISAU and STU: that of the uncertainty, instability and unequal treatment which affect our long-term supernumerary colleagues and those on temporary assistance contracts. We ask them to approve the requests that the Administration may present to them, when the time comes, to create posts under the regular budget in favour of many of these colleagues fulfilling essential tasks.

For the ISAU Executive

Sidiki Coulibaly
Chairman



United Nations
Educational, Scientific and
Cultural Organization

Executive Board

Hundred and eightieth session

180 EX/6

Part II

PARIS, 5 September 2008
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Item 6 of the provisional agenda

REPORT BY THE DIRECTOR-GENERAL ON THE IMPLEMENTATION OF THE REFORM PROCESS

PART II

DECENTRALIZATION

SUMMARY

This document is submitted by the Director-General pursuant to 177 EX/Decision 6 (II) of the Executive Board. It provides a progress report on the work of the Decentralization Review Task Force, including on guiding principles to drive the longer-term adjustments to UNESCO's decentralized system.

The financial and administrative implications of the review of the decentralization strategy will be spelled out in the final report to be submitted to the Executive Board at its 181st session.

Action expected of the Executive Board: proposed decision in paragraph 25.

Background

1. The decentralization strategy that was devised as part of the wide-ranging reform process initiated in UNESCO in 2000 was prompted by the view that the decentralized structure was perceived as problematic and inconsistent with the Organization's resources, functions and ambitions. Member States were disturbed at the randomness of decisions taken regarding the opening of offices, particularly at country level. Indeed, after three decades with only some 20 UNESCO field offices, the 12 years separating 1988 and 1999 saw the establishment of a large number of new field offices (41), leading to a total of 70 field offices and four liaison offices at end 1999. The field offices were a mix of regional, subregional and country-based structures, of sectoral or intersectoral nature, with roles and functions not clearly defined, resulting in overlap and confusion in programme and representation responsibilities, as well as in reporting lines. The growth in the number of field offices did not mitigate their uneven geographical distribution and coverage of Member States, nor their limited programme implementation capabilities with budgetary and human resources too thinly spread. Many small offices had only one professional staff member with an expenditure to cost ratio of 4.4%.

2. In addition to resolving overlaps and inefficiencies in the delivery of programmes at field level, considerations that led to the current decentralization strategy included the perceived increasing demand, already at that time, for UNESCO to be involved at national level in UNDAF processes and other inter-agency frameworks, as well as to cooperate more closely with National Commissions, and to have concrete participation in development issues that were likely to require intersectoral intervention. Due consideration was also given to the provisions of 30 C/Resolution 83 and 159 EX/Decision 4.3 (Part I), notably to the requirement that decentralized bodies shall normally be all-purpose regional and subregional offices and that the establishment of UNESCO offices at the national level shall be considered only in exceptional circumstances and for a limited period.

3. In keeping with the above, and bearing in mind the need for pragmatism and flexibility, the decentralization strategy and related implementation action plan that were developed and approved by the Executive Board in 2000 and 2001¹ sought to refashion the pre-existing system into a rationally distributed global network of offices resourced in such a way as to ensure responsiveness to Member States, equitable distribution of programme implementation and adequate concentration of capacity to deliver programmes effectively. The retained "cluster" strategy with a two-tier approach of "cluster offices" (tier-1), each serving a small number of Member States in all UNESCO's fields of competence, backed by specialized regional bureaux (tier-2) aimed, within UNESCO's budgetary constraints, at providing a rational balance between field office proximity to all Member States and the concentration of human resources needed to provide quality service. Single-country offices were considered an exception to this system.

4. The decentralization strategy was therefore designed to be the best and most rational response to the prevailing situation at end 1999 as advocated by the General Conference at its 30th session. Its implementation was nevertheless somewhat hindered by the fact that the reform of the Organization launched in 2000 did not benefit from additional financing, which was exceptional in the United Nations system since all the agencies that had undertaken such reforms had received additional budgetary resources to that end.

5. The first review of progress in the implementation of the decentralization strategy carried out in 2004-2005 (171 EX/6, Part III) highlighted the investments put in place to make the new decentralization system work, the lessons learned, shortcomings observed and related remedial action taken or planned, as well as the road ahead. After careful analysis, there was no doubt that UNESCO's two-tier decentralized structure was realistic and was responding to the needs. Although problems were identified, which included inadequate resource levels, these did not bring into question the core concept itself. The road ahead needed to follow a single overriding objective:

¹ Ref. documents 159 EX/5, 159 EX/INF.8 Rev., 160 EX/6 Part III, 160 EX/21, 161 EX/5 Part II.

to raise the quality, the impact and the reach of UNESCO's action. Following the Board's endorsement of the conclusions of this review, work began immediately to achieve a much more systematic pooling of forces between and among the Organization's various components (Headquarters, field units, institutes and centres) and a mobilization of its many alliances, notably with other United Nations agencies at country level, while continuing to address the identified shortcomings.

6. With the accelerating momentum of the United Nations country-level reform and system-wide coherence, the Director-General decided in October 2006 to bring forward the second review of the decentralization strategy which was initially foreseen for 2008-2009. He immediately reactivated the Decentralization Review Task Force (DRTF), chaired by the Deputy Director-General and composed of senior field and Headquarters managers. In the first phase of its work (December 2006 to June 2007), the Task Force focused on immediate adjustments to enable the Organization to engage effectively in joint United Nations initiatives at country level and to consolidate the accountability of field offices. Its results were submitted to the Executive Board and to the General Conference (177 EX/6 Part II and 34 C/28, Part II).

7. In the current phase of its work, launched in December 2007, the DRTF is considering long-term measures for strengthening the Organization's field presence within the new context of a reformed United Nations at country level and revisiting accordingly the Organization's decentralization strategy. It has held three meetings so far, in December 2007, February and May 2008.

8. In delivering on this mandate, the DRTF first reviewed the current decentralization strategy and took stock of its major achievements so far. Throughout the successive biennia since the adoption of the decentralization strategy, there have been continuous and determined efforts to consolidate and strengthen the new decentralized network, by according it priority within the limits of available budgets. Bearing constantly in mind the drive for quality delivery: (i) the relative weight of decentralized programme funds have grown steadily and overall programme resources have increased by some 30%; (ii) there has been significant mindset and practice change within the Organization with the bulk of country, subregional and regional level regular programme activities and extrabudgetary projects managed directly by field structures; (iii) 142 posts have been established in the field (of which 62 in the current biennium alone, to better meet the new demands of the United Nations country-level reform) while, at the same time, 335 posts were abolished at Headquarters, thus bringing the ratio of Headquarters to field staff to 2:1 instead of the former ratio of 5:1; (iv) field staff now benefit from nearly half of the funds earmarked for training; (v) respective roles and responsibilities of Headquarters and field entities have been clarified; (vi) tables of authority and accountability have been developed; (vii) while maintaining the basic decentralization structure, an increased number of country-level antennae are being created, reporting to the corresponding cluster offices; and (viii) the creation of the 2% programme resource contingency is supporting participation in United Nations common country programming exercises. As a result, the current decentralization strategy has put in place a system that is better attuned to Member States' realities, and in spite of the persistent shortcomings – which the above measures were designed to address in the most cost-effective manner – is more efficient and in a better position for engaging in the multilateral system.

9. In its assessment of the structural adjustments required to continue strengthening UNESCO's field system, the DRTF is taking into account the required synergies among all its entities for quality and accountable delivery and increased relevance to Member States. It is particularly assessing the capacity and effectiveness of the Organization's current decentralized system to take up all the new challenges brought about by the accelerating momentum of the United Nations country-level reform. Consequently, its consideration of possible adjustments takes into account the architecture, functions and country focus of the United Nations system field presence.

10. Within this context, the DRTF has advanced its analysis in the following broad areas:

- decentralization patterns within the United Nations system;
- UNESCO's roles and modalities of action at country level;
- principles and guidelines to drive the design of UNESCO's responses to the decentralization challenges;
- development of a simulation tool to assess the budgetary impact of various possible options;
- positioning of UNESCO National Commissions and national partners in the country-level approach.

Decentralization patterns within the United Nations system

11. Field presence of funds and programmes is generally structured at two levels, with country offices in a large number of Member States (for example, UNDP is present in 166 countries and UNICEF in 127) and, depending on the regions, regional or subregional offices. The same pattern applies to WHO with 145 country offices, including some covering, on an exceptional basis, several Member States with no change in title, and a single regional office per region. UNIDO is present in 27 countries, with "desks" within UNDP offices or country offices, as well as regional or subregional offices, depending on the region. These United Nations agencies' regional (or subregional) functions include: (a) programmatic support to the country level generally in terms of expertise, backstopping, monitoring and strategic technical support for country programming, but also in oversight and quality assurance of country programming as well as in coordination on United Nations system-wide coherence issues (in the case of UNICEF) and in media and advocacy strategies (WFP); (b) management and administrative support in terms of supervision of country representatives, logistics, financial oversight, human resources management and communication networks.

12. The other major specialized agencies, namely FAO (present in 78 countries) and ILO (present in 43 countries), have a three-level field structure with country, subregional and regional offices. The regional and subregional functions of these levels differ from one agency to another. In FAO, the regional functions include analysis and reporting on regional trends, policy and technical dialogue with and among FAO member countries in the region including follow-up to United Nations world conferences and organization of regional conferences, promoting technical cooperation between countries in the region and ensuring multidisciplinary approaches to related projects and programmes. FAO's subregional functions relate to administrative and technical support to country level, with multidisciplinary teams providing the latter. In ILO, the regional functions include high-level political and strategic representation in the region, coordination of strategies with regional and subregional institutions and United Nations system organizations and of ILO's policies and programmes across the region, with multidisciplinary teams and a high concentration of technical skills. ILO's subregional functions include support to tripartite constituents in countries, to UNCTs, to regional ILO analysis and to subregional forums; compilation of statistical data and comparative analysis of policies and experiences; and policy advice and advocacy. ILO's subregional offices have more technical staff than its country offices.

13. It should be noted that the geographical boundaries of regions are not always similar. Furthermore, for some agencies the regions do not correspond to a whole continent, but to what are considered as “subregions” in other agencies.

14. As regards UNESCO, with its 51 field offices (excluding liaison offices with the United Nations), the cluster offices (equivalent to the “subregional” level in other agencies) were designed as the cornerstone of the decentralization strategy and constitute the main platform for programme delivery in all UNESCO’s fields of competence at field level. In defining the country coverage of cluster offices, attention was paid to adapt whenever possible to existing regional groupings as support to integration efforts in its fields of competence was considered as a major UNESCO contribution at field level. Nineteen of the 27 cluster offices are entrusted with a dual mandate of cluster office and regional bureau. Regional bureaux were conceived as sources of sectoral expertise and support, carrying research and promoting regional discussion forums on selected strategic issues for UNESCO’s activities in the region, developing regional strategies and policies and designing projects and activities in their thematic fields and seeking their concrete implementation at national level through cluster or national offices as appropriate. National offices (equivalent to “country offices” in other agencies) are maintained on an exceptional basis in E-9 countries, countries in transition or countries experiencing conflict or other special situations. UNESCO decentralization strategy also provides for the establishment of antennae in countries under the coverage of cluster offices as administrative units of the offices concerned and reporting to their directors. Such antennae do not have representational functions and are set up where the Organization’s presence is considered essential in countries where there is no established structure in order to implement specific extrabudgetary projects or to serve as liaison with the United Nations Country Team (UNCT) and national authorities and to follow up on the implementation of UNESCO activities. Twenty-one such antennae are already in existence or being set up.

15. UNESCO is the only United Nations agency having no hierarchy between the different field levels, all other agencies having entrusted regional or subregional levels with backstopping functions, including in management and administration, monitoring and often oversight of country-level entities. UNESCO is also the only agency having thematic regional bureaux (i.e. Regional Bureaux for Education and Regional Bureaux for Science in Africa, Arab States, Asia and the Pacific, and Latin America and the Caribbean; Regional Bureau for Culture in the latter region; Regional Bureau for Science and Culture in Europe).

16. With the ongoing United Nations country-level reform, a new mechanism is emerging within the United Nations field architecture: the Regional Directors’ Teams (RDTs). These teams are tasked with ensuring coherent and effective support to UNCTs in their regions on UNDAF and joint programming processes and on mainstreaming cross-cutting themes, as well as with oversight on the quality of programme design and implementation at country level. They are also responsible for oversight on and appraisal of the performance of the Resident Coordinator (RC) and the UNCT members, assessing achievements against planned results, providing feedback to the RC and the UNCT members on their 180-degree assessment. In addition they act as a platform to respond to system-wide coherence issues raised by UNCTs and to assist in resolution of conflicts at the UNCT level. Some RDTs have also engaged in examining issues related to regional alignment of United Nations agencies, including common country coverage and eventual co-location of agency regional support structures. Given the particularity of UNESCO’s regional functions, with related structures only responsible for specific fields of competence of the Organization and no administrative oversight over other field offices in the region, UNESCO has difficulties in participating in RDTs.

UNESCO’s roles and modalities of action at country level

17. As form follows function, the DRTF revisited the roles of UNESCO and its modalities of action at country level, whether as part of United Nations joint development efforts or in pursuance of the global normative mandate of the Organization. It noted the growing demand for UNESCO’s

technical and specialized advice and expertise and the high expectation of Member States to see UNESCO moving towards more upstream action, such as policy advice, sector analysis, statistics, monitoring and evaluation, capacity-building and advocacy, rather than primarily operating as a service provider without discounting its implementation of development projects in pursuit of these functions. This requires that the Organization develop further its country-level positioning and emphasize certain competencies and capacities. The recent launch of the UNESCO Country Programming Document (UCPD) approach, reflecting the UNESCO National Education Support Strategies (UNESS) when they exist and encompassing as well all other fields of competence of the Organization, is a positive move in this direction. This also requires a more flexible or altogether different approach to decentralized programming and work plans preparation in order to adapt to specific and evolving national priorities and UNDAF country demands which may not correspond to all main lines of action approved and budgeted for in C/5 documents. In addition, the country-level focus will have to integrate relevant components of regional and global programmes into national programming documents.

Principles and guidelines to drive the design of UNESCO's responses to the decentralization challenges

18. At this stage of its analysis, the DRTF has considered a series of principles to guide the adjustments to UNESCO's decentralized approach, the overarching ones being that it should preserve the many positive features of the current decentralized system, address all current challenges, seek to adapt to new developments and field architecture evolving from the ongoing United Nations country-level reform, enable full accountability and be sustainable and realistic in terms of financial allocations in the medium term.

19. With regard to its main objectives, it was considered that UNESCO's decentralized system should cater for country-level priorities and needs as spelled out in national development plans and strategies and in UNDAF documents, maintain a regional approach considered as one of the Organization's comparative advantages at field level, and upscale support to Member States' subregional integration efforts.

20. It was also considered essential that the adjusted decentralized system cater for different needs at the different phases of planning and conceptualization, implementation, monitoring and evaluation, and ensure ongoing support and quality control throughout. The structure of the field network should therefore be adapted to the evolving objectives and needs of the programme, with an architecture comprising both fixed infrastructure and flexible complementary delivery platforms of a temporary and timely nature.

21. Other major principles include:

- (a) preserving and further developing the Organization's comparative advantage at normative level while being able to lead planning and implementation processes at country level in its fields of competence;
- (b) making selective and strategic choices on programmes to implement in consonance with the delivery capacity of the Organization;
- (c) ensuring critical mass of expertise at the delivery platform level;
- (d) putting in place innovative and flexible mechanisms to make human resources rapidly available and to provide quick response and support at the country level;
- (e) empowering directors and heads of field offices and giving them adequate means for action, while ensuring that quality control, monitoring and accountability are enforced;
- (f) establishing clearer reporting lines among field structures and with Headquarters.

22. Various working hypotheses are being considered by the DRTF, including:
- (a) dissociating the functions of cluster office and regional bureau;
 - (b) adding new responsibilities to the current thematic regional bureaux by expanding their substantive coverage as may be needed and delegating to them programmatic, monitoring and evaluation, as well as administrative (e.g. human resources management, IT, public information) and financial, oversight functions;
 - (c) establishing pools of expertise at different levels of the decentralized system (i.e. at Headquarters and in the field structure) for rapid deployment in the field;
 - (d) drawing more systematically on the expertise of the whole Organization to meet country needs, especially in countries where UNESCO is a non-resident agency, through a more consistent application of the rotation policy, but also more creative mobility with short- or medium-term assignment of staff to countries/offices on a demand driven basis;
 - (e) ensuring continuous professional development of staff for them to remain current and effective in their substantive areas of work;
 - (f) diversifying UNESCO's presence at country level through fully fledged offices when justified by the volume of extrabudgetary projects and/or in special circumstances such as E-9 or post-conflict countries, through programme coordinators located in the Regional Coordinator's Office in countries with joint United Nations programming or project antennae for the execution of single specific extrabudgetary projects.

Development of a simulation tool to assess the budgetary impact of various possible options

23. Various options for the re-engineering of UNESCO's field structure, based on the guiding principles and working hypotheses above, are currently being designed. They will be fully costed, in terms of recurrent charges, initial transformation costs, and eventual cost benefits thanks to the simulation software tool that has been developed by the Secretariat to handle the complex variety of data involved, and which is already available. The core of this simulation tool is constituted by a Microsoft Access database with all financial and administrative data relating to the current field network. Financial implications of any modifications to the field network can rapidly be calculated using standard staff costs and other average costs that have been established. In order not to restrain options that may be envisaged, the tool has been conceived as an open and evolving architecture so as to accommodate any modifications to the existing field system (e.g. adding new structures; downsizing or reinforcing existing ones). The modifications are stored on easily revisable Excel sheets. The tool can generate reports at various levels of aggregations as well as comparative reports on the financial impact of options considered, thus supporting decision-making. It is now fully operational, and the simulations will start soon. The options will be discussed and refined as may be needed by the DRTF at its plenary meeting in January 2009. They will be presented by the Director-General to the Executive Board at its 181st session.

Positioning of UNESCO National Commissions and national partners in the country-level approach

24. The DRTF has started exploring the opportunities for further developing cooperation with National Commissions, notably in the context of the changing environment induced by the ongoing United Nations country-level reform, as the network of National Commissions constitutes a significant comparative advantage for UNESCO among the United Nations agencies. In considering this issue, the DRTF made a distinction between countries benefiting from joint United Nations programming and others (i.e. mainly developed countries). While recognizing the potential

contribution of National Commissions to United Nations country-level coherence initiatives, it was agreed that their existing capacities varied widely, quite a number of them being in need of appropriate training in various areas. The DRTF was apprised of initiatives launched by some National Commissions to help build the capacities of other National Commissions. In addition, ERC and BSP are co-organizing in November 2009 a meeting of National Commissions and UNESCO field offices concerned with the eight “Delivering as One” pilots in order to learn lessons and identify possible positioning of National Commissions in this respect. Along with the discussions on this subject that have taken place at the five regional consultations on the preparation of document 35 C/5, the results of this meeting will feed into the further examination of this matter by the DRTF at its January 2009 meeting. The DRTF will also further elaborate during this meeting on ways and means to enhance mobilization of the broader UNESCO family and other national partners for the advancement of UNESCO’s priorities and programmes at country level.

Action expected of the Executive Board

25. The Executive Board may wish to consider the following draft decision:

The Executive Board,

1. Having examined document 180 EX/6 Part II,
2. Takes note of the progress achieved so far by the Decentralization Review Task Force in considering long-term measures for strengthening the Organization’s field presence within the new context of a reformed United Nations at country level and of the guiding principles to drive the adjustments to UNESCO’s evolving decentralized system;
3. Invites the Director-General to submit to it a final report on an adjusted decentralization system and structure, at its 181st session.



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Educational, Scientific and
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Executive Board

Hundred and eightieth session

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REPORT BY THE DIRECTOR-GENERAL ON THE IMPLEMENTATION OF THE REFORM PROCESS

PART II

DECENTRALIZATION

CORRIGENDUM

Summary: paragraph 14 should read as follows:

14. As regards UNESCO, with its 51 field offices (excluding liaison offices with the United Nations), the cluster offices (equivalent to the “subregional” level in other agencies) were designed as the cornerstone of the decentralization strategy and constitute the main platform for programme delivery in all UNESCO’s fields of competence at field level. In defining the country coverage of cluster offices, attention was paid to adapt whenever possible to existing regional groupings as support to integration efforts in its fields of competence was considered as a major UNESCO contribution at field level. Eight of the 27 cluster offices are entrusted with a dual mandate of cluster office and regional bureau. Regional bureaux were conceived as sources of sectoral expertise and support, carrying research and promoting regional discussion forums on selected strategic issues for UNESCO’s activities in the region, developing regional strategies and policies and designing projects and activities in their thematic fields and seeking their concrete implementation at national level through cluster or national offices as appropriate. National offices (equivalent to “country offices” in other agencies) are maintained on an exceptional basis in E-9 countries, countries in transition or countries experiencing conflict or other special situations. UNESCO’s decentralization strategy also provides for the establishment of antennae in countries under the coverage of cluster offices as administrative units of the offices concerned and reporting to their directors. Such antennae do not have representational functions and are set up where the Organization’s presence is considered essential in countries where there is no established structure in order to implement specific extrabudgetary projects or to serve as liaison with the United Nations Country Team (UNCT) and national authorities and to follow up on the implementation of UNESCO activities. Twenty-one such antennae are already in existence or being set up.



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REPORT BY THE DIRECTOR-GENERAL ON THE IMPLEMENTATION OF THE REFORM PROCESS

PARTS I AND II

STAFF POLICY – DECENTRALIZATION

ADDENDUM

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.

1. The UNESCO Staff Union (STU), mindful of the need to promote and protect the interests of the staff – UNESCO's primary resource for the implementation of the Programme – has thoroughly examined document 180 EX/6 Parts I and II.
2. STU submits the following comments and suggestions to the Executive Board so as to transmit its own observations, along with the points of view of UNESCO staff, on different aspects of the Organization's human resources and decentralization policies – of which both ought to function hand in hand, thus ensuring optimal reforms of the Organization.
3. Document 180 EX/6 Parts I and II presents a positive picture of human resources management within the Organization. STU does not deny the fact that reform over the past eight years has occurred. However, the fact remains, as noted in document 34 C/28 Add. that **a gap persists between intended reforms of human resources policies and the delegation of authority for the actual implementation of these policies** including also the perception by staff on how policies affect conditions of service.
4. Despite the fact that, on paper the human resources policy framework is being presented as advancing smoothly, attaining expected results and reaching the right indicators, **practice shows**

a rather different picture. The fact is that the application of many of the new HRM policies has been quite problematic from the beginning, fragmented and lacking coherence. In our opinion a major factor contributing to the problematic implementation of the Organization's human resources policies is the delegation of authority to sectors/services/bureaux. Equally, HRM (through different reviews), the Office of the Director-General, the Deputy Director-General, the Director-General himself, as well as the ACPP and the External Auditor have all admitted to such shortcomings and that something must be done to correct them. Our concern, therefore, is how best to ensure that actual practice clearly reflects any stated policy and that such a policy be applied in a fair, equitable, organized and focused manner.

5. It must be clearly stated from the outset that **UNESCO's staff is not against the concept of adapting and improving human resources policies** in order to reflect the ongoing changes and new realities of the United Nations system and of UNESCO in particular.

6. Furthermore, STU considers that such changes could and should be beneficial to the Organization in order to ensure the optimal delivery of the Programme while assuring the continued professional development of staff in the short and longer terms. However, in order for these policies to be beneficial and in the interests of the Organization and its staff and, indeed, to have a positive impact on the Organization's mandate, the various human resources policies must not only be clearly structured but, more importantly, implemented in accordance with a number of clearly defined, uniform and fair modalities and principles.

7. STU is of the view that such a clearly defined, uniform, and fair implementation of the various aspects of human resources reforms and decentralization has not been the case. Whether one considers any or many of the issues presented in Part I of document 180 EX/6, such as performance assessment, merit-based promotion, career development initiatives, to name just a few, or many others such as rotation, recruitment, etc., one of **the main obstacles to good implementation has been the excessive delegation of authority, power and control of all these human resources elements to the different sectors/services/bureaux, with little or no supervised oversight from HRM or any other centralized personnel management system.**

8. The delegation of human resources functions to sectors/services/bureaux is, simply put from a purely logical point of view, counterproductive and inefficient. The main mandate, function and experience of programme sectors or central services are either thematic and/or administrative/political. Their senior managers and staff are not supposed to be and should not be personnel/human resources experts. Their main function at UNESCO is programme implementation or administrative management. The assumption that placing a greater degree of authority and responsibility into their hands will improve the human resources at UNESCO, needs to be seriously re-examined.

9. Experience shows that the devolution of staff responsibilities from HRM to senior and middle managers has not been accompanied by the reallocation of the financial and staff means required to absorb the additional workload, nor has it been supported by professional training on HR issues. There is little evidence that the new table of delegation of authority, originally geared to securing staff commitment in promoting an integrative culture of management, has succeeded in catalysing such changes. Many senior managers, who now spend 50% of their working time dealing with staff matters, resent the situation and often do not feel equipped to adequately deal with many of the issues.

10. As a result of this lack of human resources expertise, combined with lack of time, devotion or even motivation, most human resources decisions taken are therefore not in line with stated or approved policies either by not fully complying with them or, often, fully in breach of them. **Human resources decisions, be they related to merit promotion, recruitment or the hiring of consultants are discretionary and vary from manager to manager, engendering arbitrary, discriminatory situations** whereby UNESCO staff is treated differently. In the staff's opinion this remains the biggest obstacle to a successful implementation of human resources and staff policies.

11. For these reasons, STU strongly pleads in favour of reinforcing centralized human resources functions with a view to effectively building capacity in human resources managers to support both staff development and programme delivery. The new consultant policy is a case in point. Designed to simplify and render transparent the use of temporary assistance to implement programme activities, practice already shows a radically different application across services. The exponential bureaucratization of the procedure does not seem to serve as a valid control mechanism and some form of centralized authority seems fundamental to avoid a similar situation we find ourselves today where there are over 100 cases of long-term temporary assistance – contracts with more than five years of overall duration.

12. STU would also like to draw attention to **the need for a just, impartial and effective mechanism for internal justice**. Current mechanisms are complex and institutionally biased in favour of the Administration. The Administration can call upon its own legal advisers to defend its case whereas colleagues are left to fend for themselves, without recourse to appropriate legal council. For internal justice to be served, confidence in the fairness and efficiency of the mechanisms in place must be achieved. An examination of the current mechanisms could be undertaken with a view to ensuring dialogue that favours amenable resolution of conflict and, when necessary, that cases are not prolonged arbitrarily, that mediation is effective, and that just resolution involves “consequence management”. Just as responsibilities for the implementation of the Programme lay with managers, consequences of their managerial decisions ought also to hold the same level of responsibility which binds managers and the Administration to fully assume the consequences of the decisions they take. Within this context, the role and clout of the whistle-blowing mechanism envisaged remains to be seen.

13. Also related to the fundamental value given to the managerial competences of staff is the thrust of the corporate training plan for 2008, whereas in past years – although with a reduced budget – the learning focus is on mastering new software and management tools rather than on the acquisition of knowledge. **A balancing act seems to be required at this point in time, and more attention is to be given to a learning programme that allows staff to develop their specialized knowledge and remain competitive in their respective fields.**

14. STU also strongly calls for refining the human resources policies monitoring and reporting mechanism to go beyond the factual presentation of figures and percentages (e.g. of staff having completed performance reports) and start looking into the qualitative impact of the policies, in an effort to understand their effects and improve their implementation (e.g. why PERFOWEB reports are not used in the recruitment process as a qualifying element for candidates or that reporting on the gender action plan should be more than providing men and women ratios and the indicators on the increase of women in PABs).

15. As concerns new human resources policy areas, our objective as staff representatives is to ensure that policies seriously address staff concerns and issues. This is the case of the ongoing revision of the 2003 rotation policy. We are aware that staff has different needs and aspirations, but as the consultation we have undertaken in the last weeks shows, a large segment of the international staff is interested in rotating positions. It is then crucial that the new policy is crafted in such a way so that it takes both organizational needs and staff concerns into consideration. As recent experience in other United Nations specialized agencies, STU is persuaded that a more open and participatory approach to policy development is essential to make the rotation policy work.

16. Finally, the issue of the Organization’s budget cannot be ignored. Throughout the past decade reductions in UNESCO’s spending power have forced the Organization to streamline its functions. Today staff is faced with the difficult challenges of doing more with less, thus leading to conditions of work that are frustrating at the least and untenable in the long term. Such budgetary reductions could eventually lead to the risk of arbitrary abolition of posts and/or to the downgrading of certain occupied posts which has an extremely negative effect on staff morale and nurtures perceptions of fear. While STU does not deny that difficult decisions must be allowed to be made,

such decisions cannot be left to sector ADGs alone as has happened in the past in both the Education and Culture Sectors. Staffing decisions need to be taken in a systemic manner, taking into consideration both organizational needs and staff skills and potential for development. Again, in our opinion a reinforced centralized human resources department is best suited to such decisions.

17. In conclusion, STU is firmly convinced that unless there is a correction to these basic dysfunctions in the actual application of what we consider, once again, to be on paper basically positive staff policies, this will continue to hinder the effective implementation of UNESCO's mandate. STU would therefore call on Member States to clearly express to the management team of the Organization their desire to not only ensure that staff policy creation and implementation be done in a more harmonized, centralized, and therefore better controlled manner, but also that HRM or any other centralized staff management entities that may be created be given the adequate resources and authority to effectively implement staff policies. **STU is of the conviction that human resources policies that consider organizational needs and staff competence will inspire engagement of staff – the most important resource at UNESCO's disposal – for the efficient and effective implementation of the Programme.**



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**REPORT BY THE DIRECTOR-GENERAL
ON THE IMPLEMENTATION OF THE REFORM PROCESS: STAFF POLICY**

ADDENDUM

SUMMARY

In accordance 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.

**VIEW OF THE INTERNATIONAL STAFF ASSOCIATION OF UNESCO (ISAU)
ON THE REPORT BY THE DIRECTOR-GENERAL
ON THE IMPLEMENTATION OF THE REFORM PROCESS
(180 EX/6 Part I)**

1. The International Staff Association of UNESCO (ISAU) wishes to make a few observations on fundamental issues referred to in the Report by the Director-General on the implementation of the reform process, Part I: Staff policy (180 EX/6 Part I), relating to appointments, promotions, including merit-based promotions, Evaluation and Performance Agreements. It hopes that the present contribution to the discussions on item 6 of the provisional agenda of the current session of the Executive Board will enable members of the Finance and Administrative Commission, through their deliberations and decisions, to help the Secretariat and its staff.
2. In these difficult times, our Association maintains excellent, frank and open working relations with the Deputy Director-General (DDG) and senior officials in the Bureau of Human Resources Management (HRM), in an atmosphere of open and constructive communication, in the interest of the staff. We do not always agree on everything with the representatives of the Administration. When our views do differ, however, they are resolved through mutual respect and in accordance with the regulations.
3. Similarly, for a year now, joint action for the common welfare and inter-union solidarity have been at the heart of ISAU's initiatives, in cooperation with its counterparts from the UNESCO Staff Union (STU). We work hand in hand to contribute, in particular, to regularizing the insecure status of many colleagues who have been employed for a long time under supernumerary or temporary assistance contracts, and to improving the rotation policy. The negotiations initiated in this connection with the DDG and HRM are currently under way.
4. The Administration has indeed already done a great deal, to the best of its ability, with regard to human resource management reform. We are also aware of the fact that under the pressure of budgetary constraints and zero nominal growth, which have lasted for eight years, the Director-General has never had, and still does not have, the means to face effectively the broad challenges posed by this reform. In fact, we continue to maintain that budgetary savings should not be made at the expense of staff, since it is the staff that is responsible for achieving the constantly renewed and increasingly complex objectives and priorities set by the Member States. We can but be disappointed at the slow pace of the much-awaited improvements to be brought about by the reform process.
5. Before returning to the issues of concern to us, the key message we would like to convey is the following: UNESCO and the Director-General cannot achieve their objectives without investing in staff as much as in the strategic management of human resources, and the Secretariat must be revitalized by improving working and employment conditions without delay.

Appointments and promotions

6. ISAU takes note of the progress made in 2006-2007 with regard to recruitment and appointments. Nevertheless, taking into account the reduction in the number of established posts, the small number of posts open to competitive examination and the fact that some posts, particularly high-responsibility posts, remain vacant for lengthy periods, what career prospects are there really for the staff? To this may be added a growing tendency to call on retirees and on officials due to retire – through what we consider to be excessive waivers. This prevents posts from being filled, for instance through internal promotion.
7. There is no doubt that such individuals' experience is an asset. If this practice persists to such an extent, though, is it not the result of inadequate planning by HRM, which does not seem to have planned either the succession or the renewal of staff required by the Organization? We are willing to stick together in times of budgetary constraint and, if necessary, to work twice as hard,

provided there is serious planning and anticipation – through training if need be – to facilitate the work of serving staff members and to motivate them. We firmly believe that this is essential in order to prepare the ground for their successors.

8. We also know that many colleagues think that the selection process is sometimes discriminatory in relation to certain nationalities, that it is not satisfactory in terms of improving opportunities for promotion, identifying highly qualified internal candidates and fostering the attainment of the goals of gender parity and equitable geographical representation. It must be recognized, however, that the Director-General is demonstrably more concerned to avoid irregular recruitment practices.

9. That has been reflected recently in the Director-General's recognition of the right of observers representing the staff associations to make objections to the procedure followed in the recommendations submitted to him by the Personnel Advisory Boards (PABs), in stricter oversight over situations of job insecurity, in the adoption of a new policy aimed at rationalizing the employment of consultants and, in a contentious case in respect of which ISAU is still providing legal assistance in order to secure reparations for the prejudice suffered by the rejected candidate, in the cancellation of an illegal appointment accompanied by a decision to re-advertise the post (P-5) in question.

10. We also welcome the promotions granted as a result of the reclassification of posts, within the framework of split-grade posts and under the merit-based promotion programme. Such internal promotions are indeed advantageous to the Organization: the persons concerned know UNESCO well and have a past history there, and their career development can be a source of motivation for other staff members. However, many qualified colleagues have no promotion opportunities. Others, who feel that promotion decisions are unjust, are likely to lose faith and be less efficient in their work.

11. As promotion opportunities dwindle as one rises in the hierarchy, the tension created by the gap between expectations and the few available posts on the one hand and the recent implementation of the pilot merit-based promotion programme on the other account for the current loss of motivation of candidates proposed under that programme but finally not promoted. As an observer on the merit-based promotion jury chaired by the DDG, ISAU can but attest to the transparency and objectivity of the members of that jury which ruled last June on the Sectors' recommendations concerning those promotions. We regret that very few colleagues have been promoted under that programme.

12. To mitigate the sense of frustration and injustice inevitably felt by colleagues proposed by their supervisors but not promoted under the programme, it is important to inform them of the reasons why their nominations were not retained either in the list submitted by their Sector or by the merit-based promotion jury. No doubt that would at least make it possible to give them better career development support.

Evaluation and performance agreements

13. A performance evaluation system fully integrated with other career organization mechanisms can be a useful instrument both for monitoring results and for supporting skills and career development. However, a link has not yet been properly established between the new performance evaluation and reporting system for Secretariat staff (PERFOWEB), participation in training programmes and the strategic management of professional skills and career paths. As a result, the information found in PERFOWEB is not systematically taken into account in the selection of internal candidates for recruitment to posts.

14. Moreover, the figures given in paragraph 5 of the report under examination indicate that: "The completion rate of performance reports was 64% for 2006-2007 (at Headquarters) ... and 51% for field offices". This means that 36% of our colleagues at Headquarters and 49% of those in

the field have been denied the possibility to establish a work plan, to agree with their supervisors on expected results and to receive an official evaluation. This is to be deplored. ISAU will see to it that the problem is quickly resolved, all the more so since the Administration has pledged to do so by the end of the year, and that the performance of the managers concerned is sanctioned accordingly.

Re-examination of the policy of rotation and temporary assistance contracts

15. Although document 180 EX/6 does not address the question of the revision of the rotation policy and temporary assistance contracts, these are two burning issues for UNESCO's staff and for its two associations. Let it be well understood: ISAU is not against mobility, quite the contrary, it is one of our functions, and we consider that field work is fundamental. However, if we want to achieve the desired results, we must first gauge the major difficulties of applying the rotation policy introduced in 2003.

16. For example, the absence of a real career development strategy; problems of reconciling professional and personal life, notably for households with two breadwinners; the need to preserve the institutional memory and capacities of the Organization; the shortcomings of the computerized human resource management system, notably the problem of updating information contained in the individual files. Another problem is that of professional staff belonging to a large number of different professional groups, who are not all present in all the duty stations. HRM must match the abilities of workers with the demands of their posts by making a record of all the possible posts they could occupy. Together with STU and by seeking the views of all staff on the issue in order to better defend their interests, ISAU recently began consultations with the Administration to contribute to the improvement of this policy.

17. Finally, we seek the full support of the delegations of Member States of the Executive Board on an issue that is extremely important to ISAU and STU: that of the uncertainty, instability and unequal treatment which affect our long-term supernumerary colleagues and those on temporary assistance contracts. We ask them to approve the requests that the Administration may present to them, when the time comes, to create posts under the regular budget in favour of many of these colleagues fulfilling essential tasks.

For the ISAU Executive

Sidiki Coulibaly
Chairman