UNESCO
United Nations
Educational, Scientific and
Cultural Organization

iiep
International Institute
for Educational Planning

Mr Stanley Mutumba Simataa
President of the General Conference
UNESCO House
1, rue Miollis
75732 Paris Cedex 15

Ref.: IIEP/GB/17.001   18 January 2017

Sir,

Please find enclosed the report of the IIEP Governing Board on the follow-up to the recommendations of the External Auditor's report.

On 6 April 2016 (memo *Ref: GBS/SCG/16/031*), you invited all intergovernmental programmes, committees and organs to inscribe an item on the agenda of their statutory meetings concerning the follow-up to the recommendations of the External Auditor's report contained in document 38 C/23, to improve their governance by concrete measures, and to report on their proposals to the Chairperson of the Working Group.

The IIEP Governing Board therefore added an item concerning the requested follow-up to these recommendations to the agenda of its annual session that took place from 5 to 7 December 2016.

To prepare the report, the IIEP Governing Board set up a working group that I chaired, which included Board Members and a former Board Chair, to analyse strengths and weaknesses and to propose concrete actions to improve the governance of IIEP. The report enclosed summarizes the constructive discussion that took place among IIEP Board Members.

Accept, Sir, the assurances of my highest consideration.

Yours sincerely,

Nicholas Burnett
Chairman of the Governing Board

Cc: Suzanne Grant Lewis, Director of IIEP
     Luis Salamanques, Secretary of the Working Group, GBS/SCG

Encl.: 1

UNESCO
INTERNATIONAL INSTITUTE FOR EDUCATIONAL PLANNING

FOLLOW-UP TO THE RECOMMENDATIONS OF THE EXTERNAL AUDITOR'S REPORT TO IMPROVE GOVERNANCE OF UNESCO'S ENTITIES

CONTEXT

The report of the Audit of the Governance of UNESCO and attached Entities, Funds, and Programmes, was presented to the 2015 UNESCO General Conference (documents 38 C/63 and 38 C/COM.APX/DR.2). The summary of this discussion, and the decisions, were presented to the IIEP Governing Board at its 55th session (December 2015).

By its 38 C/Resolution 101, the General Conference decided to establish an open-ended Working Group on governance, procedures and working methods of the governing bodies of UNESCO. The President of the General Conference chairs the Working Group. The resolution specifically: "Invites all intergovernmental programmes, committees and organs of the conventions to inscribe, in 2016 if feasible, an item on their agenda concerning the follow-up to the recommendations of the External Auditor's report contained in document 38 C/23, to improve their governance by concrete measures, and to report on their proposals to the Chairperson of the open-ended working group".

In response, an IIEP Governing Board working group discussed four items:

1. Review the mandate and composition of the Governing Board.
2. Enhance the cost-efficiency and effectiveness of the Governing Board.
3. Facilitate the strategic decision-making process.
4. Improve the coordination with HQ and among other Institutes.

On 8 December 2016, during its 56th session, the Governing Board analysed the Working Group proposals as follow:

1. Review the mandate and composition of the Governing Board

Current situation

The Institute is governed by its own Board, within the mandate set out in its Statutes and by its own Rules of Procedure. The Board consists of 12 members, of which four are designated by the UN agencies specified in the Statutes for a period of three years, seven members are elected from around the world for their contribution to education and human resource

development for a period of four years, and a Chairperson who is also elected from among educators, economists and other specialists of international repute in the field of human resource development for a period of five years. The Board meets annually to review the past year's activities, debate and approve its annual budget and programme, and determine the strategies and policies of the Institute within the general strategic and programmatic priorities of UNESCO. It reports on the activities of the Institute to the General Conference of UNESCO at the end of each biennium, and also submits the Institute's contributions to UNESCO's biennium programme and budget (C/5) and medium-term plan (C/4).

This composition of the Board stems from the rationale of the Institute developed at the time of its creation. IIEP was created as a Training and Research institution that would support countries to develop strong education systems. The objective was to create a group of high-level experts able to innovate, and translate theory into practice, to develop efficient education systems internationally. The capacity of IIEP to attract the best experts was at stake. The Consultative committee on the creation of the IIEP (that met on 25-26 June 1962) "recognizes the importance of creating a truly autonomous institution not directly tied to the governing bodies of the international agencies providing for its financial support. This degree of autonomy is a prerequisite for attracting the high level experts and students who will be needed to make the Institute a success." Members of the Group of Experts debated the mode of designation and election of Board Members but the majority of the Expert Group "recognized the impossibility of achieving the task contemplated unless such autonomy was given."

A number of specific criteria, which lay down the foundations of a strong Board, emerged:

- Expertise: The level of expertise is the first criterion to be used to select an incumbent.
- Independence: Board members are elected in a personal capacity to ensure independence vis-à-vis any institution or country.
- Diversity: Regional diversity is guaranteed by four region-based seats. Institutional diversity is guaranteed by four members appointed by sister institutions (World Bank, UN secretariat and UN agencies).

Evaluations of IIEP's governance have repeatedly emphasized the quality of the Board. An important aspect of the Governance of the Institute is its functional autonomy from UNESCO. In the words of one evaluation[1], "Functional autonomy is a precondition for the high quality of its activities, for example, through the capacity to recruit and retain high-calibre staff, and is also key to its excellent reputation among the funding agencies".

IIEP Board Members emphasised the link between the efficiency of the Board and the autonomy of the Institute. This issue was discussed when the Board examined the proposals on the Table of Delegation of authority. (See the resolutions adopted by the Board, in the annex attached).

Areas to strengthen:

a. Selection of Governing Board Members: To maintain the current diversity of Board Members, the Governing Board and its Nominating Committee should receive more information from IIEP's management on the type of expertise from the region or the experience to prioritize.
b. The principle that Board Members sit in their personal capacity must be maintained.

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[1] Davis, N. and Mutch, L. 2006. *Evaluation of UNESCO International Institute for Educational Planning.* Paris: UNESCO, Evaluation Section, Internal Oversight Service.

c. Orientation of New Board Members: New members could receive more guidance, for instance, through the development of a set of guidelines and/or terms of reference, specifying what the expectations are. When they are elected, candidates should be questioned about potential conflicts of interest through a questionnaire.

d. Regular information: Keeping Governing Board Members well informed of IIEP developments between annual board meetings: the eNewsletter and regular information notes from the IIEP Director are significant improvements and should be encouraged.

Proposals:
a) For each vacancy, IIEP management could provide an overview of the kind of expertise the Board might need.
b) Each new Member could be given a set of guidelines specifying what the expectations are.
c) Each Board Member could sign a conflict of interest declaration once a year.
d) Board Members could be kept engaged throughout the year by sending regular briefings to complement the public IIEP news announcements and IIEP Letter. Depending on their personal expertise, Board Members could be invited to support IIEP in fund-raising activities or in reflection activities more regularly.

2.   Enhance the cost-efficiency and the effectiveness of the Governing Board

Current situation:
The Governing Board meets in full session once a year for a maximum of three days. The Executive Committee (five Members including the Chairperson) meets regularly at a distance for a maximum of two hours, and meets face-to-face once every two years for one day. The Nominations Committee meets virtually as needed, usually shortly before the full Board meeting, and then finally in person as part of the Governing Board ordinary session.

The annual budget is stable. The share and is distributed as follow:

2015	Regular Budget US$	% of total IIEP Budget (Regular and extrabudgetary budget, for IIEP Paris, Dakar and Buenos Aires)
Organizing meetings (mainly travel & per diem)	95,629	0.48%
UNESCO staff involved in the activities of the Governing Board (approximate budget in lump sum. Documents preparation)	141,935	0.70%

Areas to strengthen

The working group considered that the duration and frequency of meetings were appropriate. IIEP's secretariat makes good use of distance modes to organize virtual meetings and conference calls. The best way to increase efficiency would be to engage more with Board Members throughout the year (see point 1 above). The Executive Committee may take on a more important role if it could meet at a distance quarterly. Although it would not be necessary to send all documents earlier, the IIEP secretariat could share with Board Members a strategic note informing them about the main issues at stake, or organize conference calls with some Members to seek advice. This would allow Board Members to better prepare for the meetings.

Proposals:
a) To organize quarterly virtual meetings of the Executive Committee
b) To start the work of the Nominations Committee earlier in the year

c) To send strategic notes informing Board Members about main strategic points prior to regular sessions of the full Board.

3. Facilitate the strategic decision-making process

Current situation:

The Governing Board bases its main discussions on the Report of the Director on the activities carried out and on the Operational Plan for the next year. The quality of reporting to the Board is generally of a high standard. Board reporting emphasizes programmatic and financial issues in particular. On a number of matters of strategic and programmatic importance, the Board has played a particularly active governance role while being careful not to interfere with the day-to-day running of the Institute.

Areas to strengthen:

Regular communication between the Board and the Management could increase the efficiency of the very busy and packed three-day GB session, without interfering with the day-to-day running of the Institute. The Executive Committee could hold quarterly virtual meetings to discuss strategic issues (see item 2).

Proposals:
To organize quarterly virtual meetings of the Executive Committee, one of them being focused on the work of the two regional offices. Reports should be shared among all Board Members

4. Improve the coordination between UNESCO Headquarter and governance bodies of the Institutes

Upon the recommendations of the External Auditor, the General Conference adopted a resolution by which the Education sector and Category 1 Institutes should organize a two-yearly meeting, on an experimental basis, of Category 1 Institutes in the Education Sector and to structure the coordination between two sessions.

The first meeting, organized during the 2015 General Conference, was informative.

Areas to strengthen
The meeting might be more efficient as a structured meeting focusing on common burning issues relevant to all or most institutes. A clear agenda should be proposed prior to the meeting. There might also be value in including the UNESCO Institute for Statistics, given how important education is to its work, even though it is not formally within the Education Sector.

Proposals:
a. To set an agenda for this meeting in advance.
b. To consider including UIS
c. Propose to Board Chairs to meet virtually in between the biennial meetings that take place at the time of the General Conference.

Annex:
Resolutions No 537 and 538,
adopted by the IIEP Governing Board at its 56th session (7 December 2016)

Resolution 537

The Governing Board,

Having examined the proposed Revised Table of Derogation of Authority and Functional Autonomy of Category I Education Institutes, **having reviewed** the memorandum ref. ED/EO/SPM/16.10 dated 01/06/2016 from ADG/ED to Directors of education-related Category 1 institutes and **having heard** the presentation of the ADG/ED on the said Table,

Recalling the shared interest of the Director-General and IIEP Governing Board in maintaining IIEP as a Center of Excellence, which strengthens the overall reputation of UNESCO,

Recognizing that this excellence rests on IIEP's autonomy to attract and retain both strong technical expertise and diverse funding partners that has resulted in a sustainable financial model,

Notes that notwithstanding the statement in memo ref. ED/EO/SPM/16.10, the Governing Board was not consulted regarding proposed changes prior to this Board meeting (December 2016),

Objects particularly to (i) the loss of derogation of authority to appoint staff on UNESCO established posts through P4, and (ii) the requirement that the cost of IIEP's established posts do not exceed the UNESCO financial allocation,

Is concerned that these two changes in the proposed Revised Table of Derogation of Authority and Functional Autonomy of Category I Education Institutes, would undermine the autonomous nature of IIEP and the relationship between Headquarters and the Institute,

Believes that possible implications have not been fully explored and could negatively affect (i) maintaining a critical number of staff for core functions, (ii) attracting and retaining technical excellence, and (iii) maintaining the confidence of funders in UNESCO as a whole as well as in IIEP, and **requests** the Director to perform a risk assessment and present it to the Board,

Recognizing the uniqueness of IIEP regarding its size, predictability of its funding, long-standing performance record, level of reserves covering all staff liabilities, and overall prudent management of human and financial resources, namely: an annual audit, regular external evaluations of the programmes, a stabilization reserve account covering one year of full payroll, strict adherence to the HR Manual and the presence in-house of an HR officer, all of which result in transparent and responsible management,

Reaffirms the differential rather than uniform approach to the level of autonomy, which incentivizes all Category I Education Institutes, according to the General Conference's decision in 2005 to adopt the Executive Board document ref. 171 EX/18 §32, which states "*Functional autonomy means that Institutes and Centers are given sufficient authority and flexibility to carry out their mandate fully and effectively. The degree of functional autonomy varies according to each Category I entity.*"

Consequently requests the Chair to communicate the Board's concerns to the Director-General that the proposed changes represent significant risks to the Institute, the implications of which should be fully explored.

Requests the Chair to report back to the Board.

Resolution 538

The Governing Board,

Having heard ADG/ED's proposed changes to the statutes of Category I Education Institutes,

Appreciates ADG/ED's guarantee that no modification of IIEP's statutes will be submitted to UNESCO Governing Bodies without prior approval of IIEP's Governing Board.

Expects to receive a proposal via the Director,

Requests the Director to analyze its implications and report to the Board, and **commits to** giving due consideration to the proposal and, as appropriate, to commenting on any relevant document to be submitted to the UNESCO Governing Bodies, and

Notes that the Governing Board has responded to the request of the President of the General Conference to review its governance procedures following the external audit.

Response from the UNESCO International Institute for Educational Planning (IIEP)   **December 2016**

1.   Committee/Institute/Convention/Commission/Programme

a.   Mandate and objectives

The mission of the Institute is to strengthen the capacity of UNESCO Member States to plan and manage their education systems.

The purpose of the Institute is to promote instruction and research on educational planning in relation to economic and social development. To realize this purpose, the Institute:

(a) provides instruction, by organizing in service training courses, seminars and symposia, for senior civil servants, educational planners and economists or experts attached to institutions responsible for the promotion of social and economic development;

(b) endeavours to coordinate existing knowledge and experience gained on this subject, and to promote research into new concepts and methods of educational planning likely to further economic and social development.

b.   Do you have specific goals for the work foreseen in the current biennium?

IIEP has three Medium-term Outcomes in its 9th Medium-term Strategy, 2014-2017

1. Ministries in charge of education institutionalize planning
2. Departments in charge of planning use an improved evidence base to inform targeting and programming of activities and resources
3. Policy-makers engage in broad based participatory processes for education reform and policy formulation

Six short-term outcomes contribute to these.

IIEP's results contributed directly to ED MLA 1 - ER 1: National capacities strengthened to develop and implement policies and plans within a lifelong learning framework; and

ED MLA 3 - ER 11: Coordination and monitoring mechanisms established and evidence from research generated in support of sustained political commitment for Education 2030xpected Result 1.

c. *Number of members and length of mandate periods for members*

The Institute is administered by a Governing Board consisting of twelve members chosen for their competence and sitting in a personal capacity. The composition is as follow:

(a) One member designated for a period of three years by the Secretary-General of the United Nations;

(b) One member designated for a period of three years by the President of the World Bank;

(c) One member designated, for a period of three years, in turn and in the following order by:

i.   the Director-General of the Food and Agriculture Organization of the United Nations,
ii.   the Director-General of the World Health Organization,
iii.   the Director-General of the International Labour Organization;

(d) One member appointed, for a period of three years, in turn and in the following order by the directors of the three regional institutes for economic planning established by:

i.   • the United Nations Economic Commission for Asia and the Far East,
ii.   • the United Nations Economic Commission for Africa,
iii.   • the United Nations Economic Commission for Latin America;

(e) Three educators recognized for their contribution in the field of human resource development; They are elected for a period of four years and are immediately eligible for a second term but shall not serve consecutively for more than two terms.

(f) Four members elected from among educators, economists and other specialists, one of whom shall be from each of Latin America, Asia, Africa and the Arab States, who have made contributions in the field of human resource development; They are elected for a period of four years and are immediately eligible for a second term but shall not serve consecutively for more than two terms.

(g) A chairman elected from among educators, economists and other specialists of international repute in the field of human resource development. He shall hold office for five years, and shall be immediately eligible for a second term but shall not serve consecutively for more than two terms. If, however, the chairman is elected from among the members of the Board, his total period of consecutive service on the Board shall not exceed the

maximum period during which he could have served consecutively as chairman and, if necessary, his term of office as chairman shall be reduced by the time required to implement this provision.

      d.   Are the members organized by electoral groups?

NO

      e.   Intergovernmental or personal capacity/expert capacity of members

Personal capacity

      f.   Have chairperson or/and Members States received introduction to the work and working methods?

Yes

      g.   Are Observers authorized to participate and/or take the floor?

They are authorized to participate in the discussion without the right to vote.

      h.   Meeting frequency and length

Once a year (2-3 days)

      i.   How many languages are interpreted during the meetings?

French and English

      j.   Where do the meetings take place?

At IIEP premises. Exceptionally, the meeting could take place in a Member States at the invitation of the Government (it was a common practice during the 60's however it occurred only once in the last 20 years)

      k.   *Overall budget, including corresponding funding sources broken down as follows*:

	RP (in 2015)	Other sources
Organizing meetings	110,000	
Operational activities	0	
UNESCO staff (approximate budget in lump sum)	140,479	

2.   Bureau (if any)

a.   Number of members, mandate period, number of times for possible reelection

The bureau is composed of the Director of IIEP and of the Secretary. The Secretary is not elected but designated by the Director. The Director places at the disposal of the Board and of its committees a member of the staff of the Institute who shall act as Secretary of the Board and of its committees.

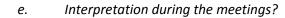*b.   Intergovernmental or personal capacity/expert capacity?*

NA

c.   Meetings frequency and length

NA

d.   Are observers allowed to participate and/or speak?

NA

e.   Interpretation during the meetings?

NA

f.   How many languages interpreted during the meetings?

NA

g.   Where do the meetings take place?

NA

      h.   Are minutes of the meetings of the Bureau prepared? Are the mintues distributed and to whom?

NA

    3.   Rules of procedure

      a.   Who adopts the rules of procedure?

The Governing Board

      b.   Preparation of meeting
         i.   Who decides agenda? The Chairman
         ii.   When are documents sent out? At least 2 weeks before the meeting.
         iii.   Are they sent out in paper form? No, only by email
         iv.   Can you opt out of receiving printed documents? NA
         v.   Who decides the timetable? The Chairman
         vi.   Who convenes the meeting? The Chairman
         vii.   Do you open up for video meetings? The practice is already in place for Executive Committee and ad hoc Committee
         viii.   Can there be extraordinary sessions? Yes
            i. If yes: how?

The Board may meet in extraordinary session when convened by its Chairman, either on his own initiative or at the request of four of its members. It occurred only once in the last 20 years.

         ix.   Do you appoint sub groups or sub committees?

The Governing Board has instated an Executive Committee (4 members plus the Chairperson) and a Nominating Committee (3 members plus the Chairperson) that meet regularly. The Governing Board could appoint other subcommittees as the business of the IIEP may require.

         If so for what duration and for which tasks?

The Board could appoint other committees as the business of the Institute may require. The Chairman of the Board shall be an ex officio member of all committees thus established.

There is a regular ad hoc Committee of Administration and Finance that meets at the beginning of each session of the Board. The role the ad hoc Committee is to analyze the financial tables submitted to the full board, to avoid a protracted and technical discussion during the Board meeting. Then, the ad hoc Committee reports to the full Board.

In 2002, the Board created a Sub-Committee on the Master programme of IIEP, which met in January 2002. It was dissolved in December 2002 once the Board made a final decision on the reform of IIEP's training programme.

      c.   *Decision-making*
      i.   *Who prepares draft decisions?* The Chairman and the bureau
      ii.   *Until when can member states suggest new draft decision or amendments?* Until the vote
      iii.   *Are observers allowed to participate and/or speak?* Yes without the right to vote
      iv.   *How are decisions adopted?*

All matters before the Board shall be decided by a simple majority of the members present and voting. For the purposes of determining the majority, only members casting an affirmative or negative vote shall be counted as 'present and voting'; members who abstain from voting shall be considered as not voting.

    4.   **Relation to General Conference and Executive Board and to other intergovernmental organs**

    a.   *Do you formally submit proposals for the program and budget of UNESCO (C/5)?* YES

      If yes, how? Following discussions on MLA and Expected Results, IIEP drafts program text and submits to ED. To date C/5 budget has a single line allocation to IIEP. ED informs IIEP of the amount and does not request further budget info. Annual budgets approved by the Governing Board are shared with ED and ODG.

    b.   *How do you follow-up the General Conference's resolutions?* When there is a resolution on IIEP, an item is proposed on the Board's agenda. The Director and AO keep track of such resolutions

c.   *Do you give input to the Executive Board in your field of competence*? IIEP stands ready to do so but no request has been received. IIEP comments on draft ED text.

d.   *Do you report on your activities to the General Conference and/or to the Executive Board more than once during each four year programme period?*
       The Board shall submit a report on the Institute's activities to each of the ordinary sessions of the General Conference of UNESCO

e.   *How do you follow-up the Executive Board decisions?* When there is a resolution on IIEP, an item is proposed on the Board's agenda. The Director and AO keep track of such resolutions

f.   *Does a specific framework exist to collaborate with other international and intergovernmental bodies?* International and intergovernmental bodies are represented to the Board through their nominated members. Collaborations with international and intergovernmental bodies are common, e.g. Unicef, GPE, OECD, EU, Council of Europe, OEI, ADEA, CONFEMEN, SACMEQ, PASEC, SEMEO, etc. When these are formal, the agreements are vetted through BSP. The Board is informed and consulted on such collaborations. In addition, the Director shall seek approval, in writing, from the Members of the Governing Board, for all projects exceeding the amount of US$500,000.

5.   Any others comments regarding the governance of international and intergovernmental bodies

IIEP's Governing Board has introduced an item on its agenda on the follow-up to the recommendations of the External Auditor's report, as requested by the Chairman of the Working Group on governance, procedures and working methods of the governing bodies. The conclusions will be shared with the Working Group before the end of 2016, after the IIEP's Governing Board session (5-7 December 2016).

6.   Please provide the reference and if possible hyperlink to the relevant statutory documents, including General Conference Resolutions establishing the bodies and relevant Executive Board decisions
IIEP's Basic Texts can be found at http://www.iiep.unesco.org/sites/default/files/iiep_basic_texts_a5_web.pdf