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REPORT BY THE DIRECTOR-GENERAL ON THE CREATION OF A UNESCO INTERNATIONAL INSTITUTE FOR STATISTICS

SUMMARY

Pursuant to 29 C/Resolution 50 adopted by the General Conference at its 29th session, the Director-General submits to the Executive Board a report on the consultations and further studies carried out in relation to the UNESCO Institute for Statistics together with detailed proposals on the Institute’s objectives, work programme and administrative, managerial and financial aspects.

Decision required: paragraph 73.

1. In pursuance of 29 C/Resolution 50, a systematic consultation of all national statistical offices and institutes was launched to gather views concerning UNESCO's plan to strengthen its statistical services. This consultation was carried out with the assistance of the International Statistical Institute (ISI), a non-governmental organization which regroups some 185 national statistical institutions and co-operates regularly with UNESCO. So far the national institutes that have responded to this consultation are generally very supportive of the establishment of the Institute. A summary of the preliminary report on these consultations is presented in the annex to this document.

2. Consultations also took place with the Working Group of the United Nations Statistical Commission, during its meeting in February 1998; the Working Group decided to include an item regarding the UNESCO Institute on the agenda of the next session of the United Nations Statistical Commission which will take place in February 1999. Subsequently, the Chairman of the Conference of European Statisticians (United Nations Economic Commission for Europe) requested UNESCO to inform the Conference about developments concerning this issue at its forthcoming meeting in May 1998.
3. During these consultations and contacts, some concern was expressed concerning the name of the future Institute; it was felt that the provisional name (UNESCO International Institute for Statistics) indicated in document 29 C/57 could lead to some confusion in the international statistical community because it was similar (especially its abbreviation in French: IIS) to that of the International Statistical Institute referred to above. Following this advice, the Director-General proposes that the name ‘UNESCO Institute for Statistics’ (UIS) be adopted from now on.

4. Upon the recommendation of the High-Level Mission formed in 1997 to advise the Director-General on the strengthening of UNESCO’s statistical services, and with financial support from a World Bank grant, an international consultant1 was commissioned to prepare proposals with regard to the future management structure and design of the UNESCO Institute for Statistics. The present report draws extensively on the substantive recommendations made by the consultant which confirm the main lines of the strategic plan outlined in document 29 C/57 and provide further detailed guidelines and proposals.

5. In order to start the process of transforming the Division of Statistics into a UNESCO Institute for Statistics, the Director-General has decided to set up an Interim Steering Committee to examine proposals and oversee initial actions aimed at achieving this objective. This Committee, which is an open-ended one, will function until the next session of the General Conference (1999), when the Governing Board of the Institute would be formally appointed.

6. The current composition of the Steering Committee is as follows:

   Mr R.V. Vaidayanatha Ayyar, Secretary to the Government of India, Department of Culture, India

   Mr Douglas Drew, Assistant Director, Culture, Tourism and Education Statistics, Statistics, Canada

   Mr T. Holt, Director, Registrar General and Head of the Government Statistical Service, Office for National Statistics, United Kingdom

   Mr Carlos M. Jarque, President, Instituto Nacional de Estadistica, Geografia e Informatica, Mexico; Chair of the United Nations Statistical Commission

   Ms Teboho Moja, Special Adviser to the Minister of Education, Republic of South Africa

   Ms Maris O'Rourke, Director of Education, Human Development Department, World Bank

   Mr J.M.M. Ritzen, Minister of Education, Culture and Science, Netherlands, Chairman of the Interim Steering Committee

   Mr Moufid Shehab, Minister of Higher Education and Science and Technology, Arab Republic of Egypt

   Mr Claude Thélot, Institut National de la Statistique et des Etudes Economiques (INSEE), France

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1. Mr Quentin Thompson, from Coopers and Lybrand, an internationally renowned firm for management consulting. Mr Quentin Thompson’s report is available, upon request, at the Executive Board’s Secretariat.
7. The first meeting of the Committee could not be convened before 16 April 1998. The present report, which had to be prepared and issued well in advance, will be submitted to the Committee for consideration. Its conclusions and recommendations thereon will be provided to the Executive Board in an addendum to this document.

I. REASONS FOR ESTABLISHING THE UNESCO INSTITUTE FOR STATISTICS

8. It may be useful to recall that the primary reason for establishing a UNESCO Institute for Statistics is to enable the Organization to provide dynamic and effective responses to the ever-increasing demands that emanate from the Member States and the international community as a whole for more diversified, more policy-relevant and more reliable statistical products and services.

9. In the series of consultations undertaken since the extensive review made in 1995 by the Board on International Comparative Studies in Education (BICSE), it has become clear that UNESCO should substantially reorient and upgrade its statistical services by developing higher professional standards and closer interaction with the Member States and partner agencies for the production, collection, dissemination and use of quality statistical information and indicators in support to policy- and decision-making. It was considered that a UNESCO Institute for Statistics enjoying a wide intellectual autonomy as well as adequate administrative flexibility would be an appropriate mechanism to ensure quick responses to demands, therefore more policy-relevance and outward focus, better efficiency of operations, and the ability to mobilize new partnerships and extrabudgetary support. These were the concerns that led to the initial proposals made to the General Conference and embodied in document 29 C/57.

II. MISSION AND OBJECTIVES OF THE UNESCO INSTITUTE FOR STATISTICS

10. As set out in document 29 C/57 and reiterated by the consultant, the mission of UIS is to provide statistical information which will help decision-making in Member States and thereby enhance policy and programme development. Under this mission, Member States would be the prime, but not the only beneficiary of the Institute's action in the field of statistical information. Apart from the UNESCO programme sectors, there are other constituencies whose tasks are to help decision-making in UNESCO's fields of competence and whose information needs should be served, such as the national statistics bureaux, the United Nations and other multilateral agencies, regional intergovernmental organizations, development agencies, international research institutes, etc.

11. The important point is the new emphasis placed on the policy-relevance of the statistical information collected and provided by UNESCO. It is indeed increasingly recognized that policy-making is improved if it is informed by information and, conversely, it is also increasingly recognized that information which is collected but not actively used by policy-makers represents an opportunity wasted.

12. There are four important implications which flow from this updated definition of UNESCO's mission: (i) UIS will need to establish which statistics are policy-relevant and which are not; (ii) it will need to be responsive and flexible in defining and developing data and indicators; (iii) it will need to ensure that the data which it collects and makes available are reliable, sufficiently accurate for its purposes, and up to date; (iv) the processes for defining,
collecting, analysing and presenting statistics must be subject to strong and objective quality assurance.

13. To fulfil its mission, UIS’s efforts have to focus on three core objectives:

   to foster the development of international statistics in its fields of competence in ways which reflect the changing policy contexts in those fields and which are reliable, robust and feasible to collect;

   to arrange for the collection, production, analysis and timely dissemination of policy-relevant statistics and indicators based on this development work;

   to support the development of the statistical and analytical capacities of Member States both for their own purposes, but also as a contribution to the achievement of the previous objective.

14. Each of these objectives is interlinked with the others and must address the four fields of competence of UNESCO: education; science and technology; culture; and communication.

III. FUNCTIONS AND PROGRAMME OF THE INSTITUTE

15. UIS should perform three main types of function which reflect its three main objectives:

   development function

   collection and dissemination function

   capacity-building function.

16. The amount of effort to be devoted to each function within each of UNESCO’s fields of competence will of course be different and will also vary over time. Further, the volume of effort between these fields will continue to be very different with education continuing to be the most dominant. For each sector, UIS will need a policy driven analytical framework to determine the nature and direction of its development work and to ensure that its statistics are genuinely policy-related. To judge its success in performing these functions, UIS will need to operate a feedback mechanism from Member States and other beneficiaries of its services in order to identify the extent to which the statistics disseminated were being of real use to decision-makers. Such a feedback loop would form an important input into the Institute’s development programme and hence its plans (and budgets) for succeeding years.

17. The following proposals detail and complete those which were already outlined in document 29 C/57.

A. Development function

18. One of the main challenges of the Institute is to develop close interaction with the users of statistics, i.e. those involved in policy-decision and evaluation. The task of identifying expected future needs lies at the heart of making sure that the work of the Institute is policy-relevant; in this, both the Governing Board and the Technical Advisory Panel referred to in Section IV below, should assist. In addition the Institute would have to develop its own network of contacts who would be policy-oriented users of information. Various liaison mechanisms could be used,
running from informal individual contacts to regional networks, in addition to a systematic scanning of the recommendations emanating from regional and world conferences. UNESCO’s own sectors should of course also contribute to this process. Regular contacts with the units in charge of preparing the various UNESCO World Reports as well as with UNESCO institutes for education, particularly IIIEP and IBE, should be established and maintained.

19. On the basis of the needs thus identified, the Institute will have to develop appropriate data and indicators, together with the corresponding quality standards. An appropriate balance will have to be established between the need to develop and refine data and that of maintaining consistency of definitions over time in order to provide information on trends and evolutions. The Division of Statistics has mainly focused its efforts, so far, on maintaining continuity of a time series. Fresh impetus should be given to refining or developing new data to reflect new policy interests. Such work should be undertaken jointly with other agencies, particularly with OECD and the International Association for the Development of Education Achievement (as is currently done through a joint project financed by a World Bank grant) but with others too such as UNDP, UNICEF, and regional development banks. This concept of ‘joint project’ (whose goals, main parameters, budget and ways of financing would be jointly agreed at the outset) should apply to collaboration with other UNESCO sectors and units, such as IIIEP, which is currently doing development work on education finance data; the Education Sector, which is working on indicators relating to learning achievements; or else the Culture Sector, which intends to develop data on cultural consumptions and habits. As stated by the General Conference in 29 C/Resolution 49, an area where UNESCO is called upon to play an increased role, in collaboration with relevant United Nations agencies and other institutions, is the definition of appropriate gender sensitive data and indicators.

B. Collection and dissemination functions

20. For many years, the collection and dissemination functions have been at the heart of the work of the Division of Statistics; this should still be true for the new UIS, but with two important differences. First, such work should be guided to a greater extent by the development work outlined above. Second, the collection function itself should be undertaken with more rigorous quality control.

21. Data collection: One of the main challenges for the Institute will be to ensure that the data collected meet the highest international quality standards. Several means should be used concurrently to enhance professional standards:

   Engaging policy-makers’ interest in comparative statistics (e.g. through some form of geographical groupings or regional networking) is one way of encouraging them to promote the quality of statistics at home, and peer pressure can be a powerful force to improve local capacity.

   Another means to guarantee quality standards is to have a set of clear manuals and guidance as to exactly what is required (as for instance the manual which is being prepared to facilitate the application of ISCED 1997). The development or improvement of such manuals would help countries to assess their own ability to produce valid and timely data - and hence their need for any capacity-building assistance.

   The development of electronic exchange of data would both accelerate the collection process and facilitate interaction between the Institute and the providers. The Institute
should therefore map and promote this development over as many countries as possible, and seek extrabudgetary assistance to this end.

The ability of the Institute to refuse to publish data that is believed to be unsound (leaving blanks in tables, or appending footnotes which qualify the data) could be one of the most powerful incentives to countries to improve the quality and timeliness of the data they provide.

22. The final aspect of the collection process concerns its documentation. The Institute should maintain documentation not only of its own processes, but also of those of Member States, together with any known national specificities. The documentation database would facilitate dialogue with the providers concerning possible anomalies in a country's data submission, and would also be an important source of information for the design of the Institute’s capacity-building programmes. The creation of such a documentation database should be conducted as an urgent project, taking the Division's current knowledge as its starting-point.

23. Data dissemination: Dissemination of information is currently done mainly by the publication of the Yearbook, supplemented by electronic publishing of a subset of the data. In view of the tremendous progress being made in the forms and means of information dissemination these days (including the Internet, CD-ROMs and many other possibilities), the issue of data dissemination should form the subject of another major innovative project of the Institute. The starting-point should be the recognition that the new theme of policy-relevance means that the primary audience for dissemination should be policy-makers; the project should seek to identify how best to reach such people, the most appropriate format of dissemination for their purposes (e.g. paper or electronically), the style of information that they would find most valuable, how frequently they would need such information to be updated, to whom access should be given, the pricing and distribution policies, etc.

C. Capacity-building functions

24. Capacity-building should be viewed as a core function of the Institute for obvious reasons. The questions therefore concern the form which capacity-building should take and the volume of effort to be devoted to it.

25. Statistical capacity-building can only be effective when there is strong political commitment and appropriate resources and technical support. This implies a collaborative effort among the national authorities, UIS, and multilateral and bilateral funding agencies. The Institute’s role should in the first instance be one of advocacy and mobilization of political will and commitments, to be complemented by the dissemination of technical manuals, guidelines and software tools, plus training and advisory services aimed at encouraging 'learning by doing' in the countries. UIS shall take advantage of existing networks and working groups, including UNESCO's own field offices, in adapting capacity-building strategies to the specific situations of various clusters of countries.

26. The Institute would also be in a position to play a catalytic role through needs assessments, formulation of statistical capacity-building projects, identifying expertise, mobilizing resources support, and establishing twinning arrangements. The current NESIS project - which will form part of the Institute’s programme - provides an example of this more intensive approach. An early task for the Institute would be to identify a set of countries interested in developing, with its assistance, national plans for improving their national statistical capacity; the World Bank, UNDP, UNICEF, as well as other development agencies could be considered as potential
funding sources. It is expected that the ‘capacity-building function’ of UIS as a whole might be able to secure separate funding, for example from the World Bank. IIEP would also be a clear possibility for partnership in providing assistance to national capacity-building.

IV. GOVERNANCE

27. As initially proposed in document 29 C/57, UIS should have a Governing Board of 12 members, six elected by the General Conference on a regional basis and six appointed by the Director-General after consultation with various parties. The primary tasks for the Board would be to set the overall policy directions for UIS within the framework set by the General Conference, to ensure that its plans and budgets are consistent with those policies, and that there are adequate mechanisms to monitor, evaluate and control the operations of the Institute.

28. To set the overall policy directions of the Institute, the Board should be presented with papers on a range of policy issues, such as:

   the balance between developing new data and indicators on the one hand and maintaining constant data sets to provide time series on the other hand;

   the resolution of conflicting signals about the future statistical needs of policy-makers;

   the nature of the relationships with other statistical agencies working in the same fields;

   the type of mechanisms needed to develop constant interaction with Member States and other arrangements at the regional level;

   the direction and the volume of effort to be devoted to entrepreneurial activities.

29. The Board should be involved at the start of the planning process and again at the end. Its initial input should set guidelines for the development of plans, including indication on the overall budget and on the general balance of effort to be devoted to different streams of work. The input from the Board at the end of the planning process would be to discuss and agree on the plans, with their budgets, for the following year.

30. The third governance task of the Board concerns monitoring and control. The Board should ensure that the Institute has appropriate mechanisms for internal monitoring and control; further, it should itself exercise, at a high level, its own monitoring and control; to do this, the Board should consider a draft of the Annual Report - and assess it against the plans for the relevant year; it should also receive the final out-turn budget (income and expenditure) and review it against the agreed budget for that year.

31. Since only one ordinary session of the Governing Board each year may not be sufficient, the formation of a Subcommittee of the Board for Policy and Planning could be envisaged, with delegated authority from the Board to provide initial input and guidance for the planning and budgeting process. Final approval of the proposed plans and budgets and the receipt and review of the report on the previous year’s performance would remain the task of the full Board. The Policy and Planning Committee could consist of five or six members of the Board - including the Chairman.

32. As also proposed in document 29 C/57, UIS should have, in addition to the Governing Board, a Technical Advisory Panel (TAP) with the primary purpose of making recommendations on the programme of work for the Institute. The comments from the Panel on
the programme of work should be limited to those from a technical perspective and not from a policy perspective to avoid any confusion with the role of the Board.

33. Apart from this advisory role concerning matters relating to the programme, the technical panel would assist the Institute in setting up and implementing standards and in validating procedures. UIS will have a quality assurance mechanism built into its data collection process at the operational level, but there will be occasions where the weight of a high-level international panel is required to examine data of an inadequate quality. This means that the Panel would be part of the quality assurance process before the final dissemination or publication of information - but very much as an exception basis.

34. It would be to the Governing Board of the Institute to decide on the composition of the Panel (some 15 members) and its methods of work (e.g. dividing itself into two sub-panels, as proposed by the consultant, one dealing with issues relating to the use of statistics - statistical and indicator needs of policy-makers, priorities for development, etc. - and the other with issues connected with the supply of statistics: validity of collection methods, reliability of data, etc.). It would meet once a year, to prepare its recommendations on the programme of work to be submitted to the Governing Board, and would also be consulted by fax or electronic mail.

V. MANAGERIAL AND FINANCIAL ASPECTS

35. The proposals outlined hereafter are intended to enhance both the relevance of the Institute’s activities and the efficiency of its operations.

A. Regional arrangements

36. A key principle of operations of UIS is close interaction with the Member States. Arrangements for promoting interactions with and among the countries can take the form of regional networks of producers and users of relevant statistics. Such networks will play a major role in bringing together the countries and experts jointly to identify common policy information needs, translate them into concrete indicators, quality standards and data collection operations, exchange and disseminate relevant information and know-how, and promote the widespread use of information in policies and decision-making.

37. Each network would be invited to develop some form of regional strategy for improving standards and quality of statistics in its region. Such strategies and ideas could be fed into the programming process of UIS in order to adapt its objectives and methods to the regional and subregional contexts.

38. Interested countries could be encouraged to take the lead in developing specific new indicators and methodological standards. UNESCO field offices or competent regional or national statistical institutions could be recognized as regional focal points for selected areas of statistics and indicators, and be given the role of regional ‘branch’ of UIS, particularly for promoting regional and inter-country technical co-operation in building statistical capacities.

B. Project based approach

39. The project based approach should apply to virtually all UIS work, even that which is ongoing from year to year. Such an approach would increase accountability, responsibility and productivity among staff and would make it easier to search for other sources of support funds on a project basis. Thus each main activity within UIS would be considered as a project with a beginning and an end. Each project would have an identified team working on it and a project
manager who would be responsible for it and for its successful delivery on time and within budget. Each project would be costed, planned and budgeted, staffed, controlled (in finance and quality terms), reviewed and evaluated.

40. The amalgamation of the planned projects would then form the overall work programme of UIS; the overall financial control for UIS would be achieved by ensuring that each project was carried out within its own budget - which would include the costs of staff time, both UNESCO staff and external persons (seeondees, fellows, consultants, etc.).

C. Planning and budgeting process

41. The planning and budgeting process of UIS should ensure that the Institute’s activities respond to the direct needs of Member States and other multilateral agencies. Each project proposal, including the ongoing ones, should therefore be justified by reference to identified ‘demand’ of information, which can be collected from several sources: regional knowledge about Member States’ future needs; informed scanning of the relevant literature about the future of UNESCO’s fields of competence; liaison meetings with sector divisions within UNESCO and with other multinational agencies, etc.

42. Each project proposal should include indication on aims and expected results, outputs and input requirements, staffing and management, equipment and other expenses, methods of quality control and monitoring as well as full costs (including staff costs). In parallel, an assessment would be made of the expected income to UIS from all non-UNESCO sources. Some such income will be associated with specific projects from particular funding sources, other forms of income might be support in kind (e.g. through staff seeondees).

43. In addition, project proposals should be developed in the full knowledge of the plans of, and sometimes jointly with, other providers of statistical services - of which OECD is a key one. As part of the development of project proposals, an annual planning meeting would be held with such bodies; any resulting joint arrangements should commit both parties. Co-ordination will also be needed with other parts of UNESCO which provide complementary services (among which IIEP and IBE are the most obvious); again, an annual planning meeting will be necessary. The complete set of plans should include those for fully (or partly) self-financing income generating activities. The Institute would be expected to undertake self-financing activities, but it would be on the understanding that such work would indeed cover its full costs (including overheads) and would not divert staff from activities needed to deliver the Institute’s core mission. To promote such self-financing activities, UIS would need to develop a marketing plan.

44. The planning and budget process would be an annual one, although inserted into a two-year framework (as approved by the General Conference). The whole set of proposals would be submitted by the Director of the Institute for approval to the Governing Board.

45. For UNESCO’s own funding contribution, the plans and budgets, once agreed, should be approved on a ‘one-line’ basis - in the same way as is currently done for IIEP. If the approved plans included explicit requests from parts of UNESCO (e.g. sectors at Headquarters or in the field, UNESCO institutes, etc.), they would then form an explicit agreement between these sectors/units and UIS. Any such requests from other parts of UNESCO that were not included in the agreed plans could be commissioned from UIS during programme implementation, but as fully funded work.
D. Staffing and managerial aspects

46. A main objective of the Institute would be to ensure maximum efficiency in the management of human resources. As is the case in IIEP, staff appointments would be made by the Director, under delegated authority from the Director-General, the criterion used being to recruit the best person for the job. The Director would appoint all the staff of the Institute, after consultation with the Governing Board for the highest officials, as well as consultants, contractors and advisers. As is the case in IIEP, appointments would be made, following the UNESCO procedures, on a range of bases (staff members, secondments, associate experts, fellows, experts and other contractual arrangements). The core of UNESCO staff members could amount to approximately a half of the total staff, with the others on the various other bases.

47. A rigorous and effective staff appraisal system should be applied and would inform decisions on promotions and on which staff might need to be encouraged to seek employment elsewhere.

48. According to the study made by the consultant, the total staff needed to perform the tasks outlined above would not exceed the total number of posts of the actual Division of Statistics. But the staffing structure would be quite different.

49. Over the total (30) number of posts which are proposed, a small core (7 or 8) would be devoted to administrative and support functions (in the area of computing, finance and personnel, together with tasks of a clerical/administrative/secretarial nature). A post is also proposed for developing entrepreneurial activities. It is to be noted that the consultant’s proposals foresee a very limited number of clerical posts. Indeed, with the technological modernization currently under way and the progressive automation of most of the operations linked with the collection, processing and dissemination of statistical data, the need for clerical work will drastically diminish and it can be expected that the entire staff of the Institute (as it would be the case for the Division of Statistics) should eventually belong to the Professional category, with the exception of a few secretaries.

50. The remainder of the staff would be entrusted with programme functions. On the basis of the tasks to be performed (development of data and indicators, collection and dissemination, capacity-building) and drawing on the experience of other statistical agencies, the consultant suggests that some two-thirds of these posts be devoted to the education field, the rest being allocated to the other sectors (science and technology, culture and communication) with a small team specialized in capacity-building activities (although all professional staff could be expected to contribute to capacity-building).

51. The detailed proposals contained in the consultant’s report as to the organizational structure of the Institute and the profile and skills required for the professional and managerial posts will need of course to be carefully studied by the Steering Committee together with the Interim Director as soon as he/she is appointed. However, it infers from this study that the Institute should be able to perform its tasks and deliver its expected outputs at staff costs equal to those of the present Division of Statistics.

52. The ‘project-based’ approach outlined in paragraphs 39 and 40 above entails a ‘team-based’ approach in staff management. This will require flexibility in the use of staff and clear responsibilities and accountabilities for the individual project team leaders, who would enjoy a wide delegated budget authority, with subsequent full post-hoc audits. This management pattern is in line with the efforts currently made by the Organization to develop a ‘results-based
programming and budgeting system’. Experience gained by the Institute could be used for strengthening this approach in other parts of UNESCO.

E. Financial implications

53. As already communicated to the Executive Board, and now confirmed by the consultant’s study, the creation of the Institute should not entail any financial implications for the Organization, i.e. any additional burden.

54. The only costs which the current Division of Statistics does not have to cover is that of the governance arrangements (yearly meeting of the Governing Board, of its Policy and Planning Committee, and of the Technical Advisory Panel). These costs are estimated by the consultant at about $200,000 per biennium, which corresponds to the estimates made by the Secretariat. They could be easily covered within the total appropriation approved by the General Conference for the statistical programme (currently over $6.5 million) and counterbalanced by the gains to be expected in terms of policy-relevance, quality assurance and extrabudgetary support. It may be noted in this context that the World Bank allocated a $1 million grant in 1997 and another $1 million grant in 1998 to help establish the Institute and strengthen UNESCO’s statistical capacities.

55. It is also to be added that, according to the consultant’s views, the staffing costs of the Institute - once fully established - should turn out to be less than those of the current Division of Statistics - due to a more flexible use of staff, whereby a sensible number of the posts could be filled through various forms of short-term, consultancy or secondment arrangements.

VI. TRANSITIONAL STRATEGY

56. Should the Executive Board endorse the orientations and proposals outlined above, the following measures should be taken in order to help establish the Institute on an experimental basis, until its formal creation by the next session of the General Conference.

A. Direction of the Institute

57. The Steering Committee (whose composition might be extended to a total number of 12) would be entrusted with the main functions foreseen for the Governing Board of the Institute. It would in particular:

set the overall guidelines for the development of the future programme of the Institute, and approve the proposals to be submitted to the General Conference, at its 30th session;

approve, monitor and control the detailed work plan for 1998-1999;

appoint the members of the Technical Advisory Panel, on the basis of nominations prepared by the Interim Director;

make recommendations to the Director-General as to any measure needed to facilitate the transition process and enhance the efficiency of the Institute.

58. One of the most urgent tasks from now on is the appointment of the Interim Director (at D-2 level), upon recommendation of the Steering Committee and after consultation with the Executive Board. He/she would report directly to the Director-General and would exert, through delegation of authority from the latter, the responsibilities foreseen in the draft Statutes of the
Institute (29 C/57, Annex I, Article VII). In particular, he/she would be in charge of preparing and implementing the transitional work programme and of ensuring the migration from the current staffing pattern of the Division of Statistics to the new one.

59. In order to allow for the administrative and operational flexibility needed for such a purpose, a special account will have to be created, whose financial regulations will be submitted to the Executive Board at its 155th session. The budgetary provisions allocated to the statistical programmes and services in document 29 C/5 Approved would be transferred to this special account. They would be protected from any reduction during the whole biennium.

B. Transitional work programme

60. A major task for the Interim Director will be the preparation and implementation of a transitional work programme which will enable the continuous implementation of a number of activities which are of a permanent nature, and cannot suffer any disruption, while setting up the new modalities for the Institute’s operations.

61. Parts of the current work to be continued are:

- the completion of the technological modernization of the statistical information system, including the establishment of electronic data communications and dissemination;
- the production of the 1998 and 1999 editions of the UNESCO Statistical Yearbook;
- continuation of the work related to the application and further development of ISCED, in conformity with 29 C/Resolution 12, together with the revision and adaptation of the data collection instruments;
- further development of the programme on World Education Indicators, undertaken with the support of a World Bank grant and in co-ordination with OECD;
- implementation of a multi-donor project, now decentralized, on strengthening national education statistical information systems (NESIS) in sub-Saharan Africa.

62. Other tasks are needed to put the operations of the Institute on the new basis. They have a varying degree of urgency and could be undertaken with greater or lesser depth, depending on the availability of extrabudgetary support - in cash or in kind (i.e. lending of technical expertise). They can be summarized as follows:

(i) document the current process for the collection and analysis of statistics to capture the knowledge and experience accumulated so far;
(ii) reconsider the design of the collection and production process with increased emphasis on quality assurance, including the involvement of the Technical Advisory Panel;
(iii) develop and refine the manual for the collection process to be applied at the national level, as a contribution both to quality assurance and to the identification of the need for capacity-building;
(iv) develop software based edits for collected statistics as a further component of quality assurance;
(v) examine how far electronic submission of data can be extended and what would be needed to extend it;

(vi) investigate and develop a policy for dissemination of the collected statistics and indicators by identifying the forms of dissemination most likely to be of use to policy-oriented users - including a pricing policy;

(vii) develop a user network from a selection of Member States - and others - to help UIS identify the value and use made of its products and as an input to discussions about the directions of future UIS development; such a network need not be comprehensive, but will need a strong policy-oriented focus;

(viii) develop an analytical framework for the collection of education statistics to be used to help prepare development plans for discussion with the user community;

(ix) refine the current provider network at the national level;

(x) develop the concept of ‘regional groupings’, including the identification of the field offices or national institutions which could play a lead role in animating these networks.

63. These tasks will have to be prioritized (on the basis of the guidelines and recommendations formulated by the Interim Steering Committee), costed and timed. This transitional work programme would be submitted for approval to the Steering Committee at its second meeting which could take place in November 1998.

C. Staff transition

64. As mentioned above, the Director of the Institute will need to be identified and appointed quickly, partly to help shape the next stage of work to establish the Institute, partly to be involved in the staff transition arrangements and new staff appointments.

65. The establishment of the Institute should be seen as an opportunity to facilitate the introduction of new talents in a Division which has experienced very limited turnover during the last years: over half of the staff have been working (in this Division or its predecessors) for more than 15 years and only two external recruitments at Professional level have been made since 1992.

66. This being said, the Director-General does not consider that the scenario proposed by the consultant - which is based on the assumption that almost none of the personnel of the Division should be retained in the Institute’s staffing - is either feasible or opportune. According to this scenario - which is less one of transition than one of disruption - the Institute’s recruitment would not need to wait for departures from the Division (due to either retirement, redeployment or separation), but should be undertaken immediately, which would imply a period of parallel running between the Institute and the Division of Statistics.

67. Notwithstanding the fact that such a procedure would be contrary to the decisions of the governing bodies (Executive Board and General Conference) both of which asked for a gradual transformation of the Division of Statistics into the Institute, it would imply that the wealth of expertise, experience and know-how accumulated over so many years by UNESCO would run the risk of being lost all at once. Further, the parallel running between the two structures would have heavy financial implications.
68. In light of the above and also taking into account some proposals made by the consultant, the Director-General proposes an alternative scenario which takes advantage of the natural staff turnover and is likely to increase its pace, and which involves a steady transformation process, minimizing costs and disruptions.

69. This process would begin with a clear definition of the job specifications and detailed staff profiles required for the Institute, to be followed by a close examination of the current qualifications, experience and competences of individual staff, and their match with the new profiles. Those persons who would not correspond to the new requirements would be either redeployed in other services, or offered the possibility of a mutually agreed separation, through, in particular, an early retirement package (it may be noted that 11 Professional staff members are more than 54 years old as of today).

70. This process should enable a rapid renewal and rejuvenation of staff, while ensuring the necessary transfer of know-how. During this transitional period, it is vital that Member States and partner agencies show their commitment to the establishment of the Institute, by providing additional support through financial contributions to recruit external expertise on an ad hoc basis or through temporary staff secondments to ‘compensate’ the costs involved by the mutually agreed separations.

D. Final remarks

71. Further measures may be needed to ensure the full success of the establishment of the Institute. During this transitional period, the Director-General will, therefore, regularly consult the Steering Committee on this matter and will inform the Executive Board of the progress achieved and all other measures he might find it necessary to take.

72. Finally, the Director-General proposes that the Institute be subject to an early evaluation - between six months and a year after it has started operations - in order to make any necessary adjustments in the light of experience. Such an evaluation could be undertaken in April-May 1999.

73. In light of the above, the Executive Board may wish to adopt the following decision:

   The Executive Board,

   1. Recalling 29 C/Resolution 50 relating to the ‘Strategic plan for the strengthening of UNESCO’s statistical programmes and services’,

   2. Having examined the report by the Director-General on the creation of a UNESCO International Institute for Statistics (154 EX/5),

   3. Endorses the proposals contained in this document concerning the objectives, functions, programmes and governance of the Institute as well as its managerial and financial arrangements;
4. Authorizes the Director-General to take the measures outlined in Section VI of the document with a view to ensuring the transition from the present Division of Statistics to a UNESCO Institute for Statistics and to enabling it to start its operation on an experimental basis;

5. Invites the Director-General to submit to it at its 155th session a report on the implementation of these measures.
ANNEX

CONSULTATION ORGANIZED BY THE INTERNATIONAL STATISTICAL INSTITUTE (ISI): PRELIMINARY RESULTS

At UNESCO's request, the International Statistical Institute (ISI), a non-governmental organization, is organizing a consultation of all national statistical institutes on UNESCO's plan to strengthen its statistical services.

A survey was prepared and addressed to the heads of 185 national statistical institutes requesting their comments and reactions with regard to three main aspects:

1. mechanisms which could be used to enable the UNESCO Institute for Statistics to be aware of issues which are of policy-relevance;
2. topics which are likely to remain high on the policy agenda in each country over the next few years;
3. forms of co-operation with the UNESCO Institute which might be available in each country.

As of mid-March, 32 responses had been received from the heads of the national statistical institutes in the following countries: Belarus, Brazil, Canada, China, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, India, Ireland, Japan, Kenya, Latvia, Liechtenstein, Lithuania, The former Yugoslav Republic of Macedonia, Malta, Morocco, Netherlands, Norway, Panama, Philippines, Republic of Moldova, Romania, Slovakia, Thailand, Turkey, United Kingdom, Yemen and Zimbabwe.

At this stage, only the preliminary results are available, as many replies are still arriving and the final report will be completed in April.

Responses were in general very supportive of UNESCO's plans to strengthen its statistical services, and various heads of statistical institutes considered that setting up a UNESCO Institute would certainly contribute to increasing the efficiency of the statistical programme.

Others also estimated that the objectives of the UNESCO Institute would help countries to build and improve their statistical information infrastructure in UNESCO's fields of competence.

With respect to question 1, which requested respondents to identify the institutional bodies in their own countries which could help the new Institute to keep aware of the main policy issues which are of interest for statistical development in education, science, culture and communication, most respondents provided the name of the appropriate organizations or government ministries in their country which would assume responsibility for this task. Some countries indicated that there was no need for new mechanisms in addition to what is already attained by means of existing working groups and meetings. Other countries suggested that new co-ordination arrangements be established. One country suggested that, in addition to having close links with policy staff, the UNESCO Institute could best forge its closest links with national statisticians working in its fields of competence, whether they be in national statistical offices or ministries of education.
With respect to question 2 requesting information about the topics pertaining to education, science, culture and communication which are likely to remain high on the policy agenda in the next few years, respondents provided a wide array of topics ranging from ‘gender issues, environment statistics and statistics on informal sectors’ to ‘life-long learning, systems of financing education systems, quality of education, and labour market position of teaching staff’.

 Regarding the forms of co-operation which might be available from within the participating countries to assist the new Institute in its tasks, responses varied widely according to the eight subcategories specified in question 3. Some countries expressed interest in the secondment of staff.

 It should be noted that some concern was expressed about the increased response burden imposed by international organizations over the last few years. It was also suggested that a comparable and user friendly database be created from the data collected, allowing access for both international institutes and national bodies of statistics.
REPORT BY THE DIRECTOR-GENERAL ON THE CREATION OF A UNESCO INTERNATIONAL INSTITUTE FOR STATISTICS

SUMMARY

This document presents the conclusions and recommendations of the Interim Steering Committee convened by the Director-General on 16 and 17 April 1998 to examine the proposals contained in document 154 EX/5. It also contains observations by the Director-General on this subject.

Observations by the Director-General

1. The Director-General notes with satisfaction the support expressed by the Interim Steering Committee for the proposals that he made in document 154 EX/5, and for the work accomplished hitherto with a view to strengthening and revitalizing UNESCO’s statistical programmes and services.

2. In the main the Director-General endorses the proposals and recommendations of the Interim Steering Committee set forth hereafter. He shares the concern of the Interim Steering Committee to ensure that the transitional process should be carried out rapidly and with determination. For his part, he is prepared to do his utmost to ensure the necessary conditions, including financial conditions, for a smooth launching of the new Institute, in compliance with UNESCO rules and procedures.

3. During this transitional period, steps should be taken to establish the new operational mechanisms of the Institute while ensuring that the Organization continues to fulfil its permanent functions, and also to make way for a rapid renovation of competencies while ensuring the necessary transfer of experience.
REPORT OF THE INTERIM STEERING COMMITTEE

I. Introduction

1. The Steering Committee is pleased with the proposals to build a new UNESCO Institute for Statistics (UIS) as they are laid down in report 154 EX/5 of the Director-General of UNESCO. There is much appreciation for the work that has been undertaken since the process to strengthen UNESCO’s statistical function started. The world needs a strong and trustworthy institute which brings together in a coherent and reliable way the available country statistics for education, science, culture and communication.

2. The report holds the right elements that can lead to the realization of a strong institute. This is generally true for the mission and objectives as mentioned in the Director-General’s report, as well as for its functions and programme, its governance, and its managerial and financial aspects. The Steering Committee has several comments on the paragraphs concerning the sections treating these issues, which are elaborated on under section III below.

3. The Steering Committee believes that the shift to a demand driven approach of UNESCO’s statistical function means a change of culture, which needs a transformation process that is quick, clean and credible.

II. Transitional strategy

4. The Steering Committee stresses the point that implementation of the new UIS should start without further delay.

Staff transition

5. The organizational model of the new institute requires a staffing commensurate with its functions: development, collection and dissemination, and capacity-building. The Steering Committee believes there should be an open and fair procedure towards the options for transition of the present division’s staff to the new institute. The first task of the interim director will be to draw up the new job descriptions for the institute. The second task will be to devise an open procedure for applicants. There will be no preference for present staff, but each applicant from the present Division of Statistics has to be fully and fairly considered.

Budget

6. The Steering Committee assumes that the interim director has enough budgetary room for manoeuvre from the very beginning. The Steering Committee endorses the proposal that a specific account is created for the new institute, to which the consolidated statistical budget is transferred, in order to guarantee flexibility. The Steering Committee considers it to be very important that resources for the new posts to be created are available as soon as possible and to that end urges the Director-General to start implementing the process of creating incentives for agreed separation immediately after the 154th Executive Board. In so far as this does not release sufficient budget the Steering Committee strongly suggests that the Director-General is mandated by the Executive Board to furnish sufficient extra funds to allow the change to be achieved from the date of the appointment of the interim director until the General Conference in 1999. When donors see UNESCO’s own input they may be more willing to co-finance. The Steering Committee will do its utmost to support the new development of UIS in mobilizing financial support.
The interim director

7. The interim director should be mandated to select and hire staff in an order as he or she deems fit and should preferably start work on 1 September at the latest. The Steering Committee recognizes that the D-2 level mentioned in paragraph 58, reflects the stature of the person required. The procedure for selecting the candidates to be interim director should be open and transparent. The Steering Committee agreed that two scenarios might apply:

First, a highly qualified ‘quarter maker’ or manager of change who serves as the interim director for a short period, e.g. until the next General Conference.

Second, someone is selected to be the director of the institute, but will act as an interim director first, until the institute is legally created.

8. The Steering Committee supports the idea of a regular selection procedure, but with the tight time frame in mind recommends a variety of pro-active approaches. The Steering Committee requests the Director-General to advertise the post to all member countries.

9. The Steering Committee has established a procedure that will lead to a proposal to the Director-General for the appointment of a new director.

The transitional work programme

10. The Steering Committee believes that the work programme as proposed in paragraph 62 of the report of the Director-General looks appropriate. The transitional work programme, as outlined in Thompson’s report in paragraphs 105 through 109, should be augmented by additional administrative tasks that will be required to establish the new institute.

11. The Steering Committee has decided to ask Mr Thompson to draft a task-list for the transitional working programme along these lines before the beginning of May. This list of tasks should cover the full period until the next General Conference. It should also hold suggestions for priorities of tasks and should indicate important milestones. The end of this first phase in the institute’s existence will be a sound starting point in order to fulfil its long-term mission and objectives. The task-list could then be translated into a working programme by the interim director.

12. The one exception to the proposed work programme concerns the Yearbook. The Steering Committee strongly suggests the present division publishes the 1998 Yearbook in its present form, and then stops. The year 1999 will have no Yearbook. But as of the year 2000 the new institute will publish a strongly revised Yearbook.

13. The new tasks the institute has to embark upon also have to be refined. The Steering Committee stresses that these new tasks must be in line with the mission of the new institute. The Steering Committee agrees with the emphasis on capacity-building, the analysis of each country’s statistical data, and quality assurance. It believes one of the important functions of the institute should be to develop a mechanism of quality assurance, in partnership with Member States, but that in addition quality control procedures will be needed to preclude publication of data that do not meet adequate standards.
III. Comments on the other sections

14. As mentioned under section I above, the Steering Committee has comments on several paragraphs of the report of the Director-General on the other issues: viz. mission and objectives, functions and programme, its governance, and its managerial and financial aspects.

*ad par. 11*

15. The following sentence should be added: Reaching a satisfactory level of policy relevance is a dynamic process, in which capacities and needs of individual member countries are observed. This requires a procedure to be established while building the new institute.

*ad par. 13*

16. One additional objective has to be put in: to create an analytical base within the context of the institute’s mission and taking into account the capacities and needs of the member countries.

*ad par. 25*

17. Add before the last sentence: The UIS should strive to create incentives in member countries to improve the quality of their statistical data and data-collection procedures by organizing external audits of a country’s statistical functions.

*ad par. 26*

18. Add: It has to be understood that the effects of the capacity-building function will only become visible in the long term.

*ad par. 32 to 34*

19. The Steering Committee has the following comments with regard to the Technical Advisory Panel (TAP):

   (i) The Governing Board will be responsible for the work programme of the institute at all times.

   (ii) Two TAPs should be created: one technical for providers of statistics, one policy-oriented for users of statistics.

   (iii) There should be cross-representation between panels and between Governing Board and panels by the presence of a member of each panel on the other, and the chairs of each TAP will be selected from the membership of the Governing Board.

   (iv) These arrangements may be changed on the basis of experience.

*ad par. 41 to 45*

20. The Steering Committee has the following comments with regard to the planning and budgeting process:

   (i) The Governing Board must have an important role in this process.

   (ii) Budgets should be transparent.
(iii) All externally financed activities should be compatible with the mission of the institute.

(iv) Co-ordination between agencies should be effective.

_ad par. 46_

21. Strike last two sentences and add instead: The institute is part of the UNESCO organization and UNESCO rules and procedures apply. Within this framework there will be maximum flexibility for staffing procedures.

_ad par. 64 to 70_

22. The Steering Committee has the following comments with regard to the staff transition:

   (i) It must be a swift process.

   (ii) The transfer of knowledge from the Division of Statistics is determined by UIS.

   (iii) New posts need to be filled as soon as possible.

   (iv) Selection procedures must be open.

   (v) Access for the staff of the Division of Statistics on the basis of quality but no preferential status.

_ad par. 72_

23. The term ‘evaluation’ in this paragraph should be replaced by external progress report.