REPORT BY THE WORKING GROUP OF THE EXECUTIVE BOARD
ON WAYS AND MEANS OF REDUCING THE OPERATING COSTS
OF THE GOVERNING BODIES OF THE ORGANIZATION

SUMMARY

The present document contains the report of the Working Group established by the Executive Board at its 165th session (Decision 5.2 – II) on the operating costs of the governing bodies of the Organization.

Decision proposed: paragraph 9.

1. At its 165th session, the Executive Board, in 165 EX/Decision 5.2 – II, decided to set up a Working Group on the operating costs of the governing bodies of the Organization, composed of 12 members (two members from each group), the President of the General Conference (Mr Ahmad Jalali) and the Chairpersons of the Finance and Administrative Commission (Mr Vladimir Kalamanov) and of the Special Committee (Ms Lil Despradel). The 12 representatives of Member States were as follows: Group I: Mr Jaime R. Ponga (Spain), Ms Christine Atkinson (United Kingdom); Group II: Mr Eugen Mihaescu (Romania), Ms Magdaléna Pohlodová (Slovakia); Group III: Mr Rolando López del Amo (Cuba), Ms Sybil Campbell (Jamaica); Group IV: Ms Neelam D. Sabharwal (India), Mr Toshikazu Ishino (Japan); Group V(a): Mr Girma Asfaw (Ethiopia), Mr Mohammed Shaaaban Sheya (United Republic of Tanzania); and Group V(b): Ms Kheïra Ouiguini (Algeria), Ms Menha Mahrous Bakhoum (Egypt).

2. The Group’s mandate was to examine the operating costs of the governing bodies of the Organization on the basis of information provided by the Director-General, including information on relevant practices in other United Nations organizations.
3. The Group held six meetings (25 November, 3, 10 and 17 December 2002, and 14 and 21 January 2003). At the first meeting, which was opened by the Chairperson of the Executive Board, Ms Aziza Bennani (Morocco), the Group elected Mr Eugen Mihaescu (Romania) as its Chairperson. After congratulating Mr Mihaescu on his election, the Chairperson of the Board stressed the importance that the Board ascribed to the Group’s work and reminded the meeting that the matter had been considered repeatedly by the Board, at its 162nd, 164th and 165th sessions, and had been discussed for many hours. She expressed the hope that the Group’s work would result in specific recommendations and that the Executive Board might adopt a draft decision on the subject at its 166th session.

4. The Group first considered matters relating to the Executive Board and then those concerning the General Conference. During its meetings, the Group examined the documents provided to it by the Secretariat and detailed information set out by item of expenditure for 2002-2003 concerning the budget of the Executive Board and the General Conference.

5. With regard to the other United Nations agencies, there was no consistent practice in respect of paid travel expenses, the authorized class of travel and the amount and rate of subsistence allowance paid: for example, WHO paid a first class fare to the Chairman of its Executive Board, an economy class fare to other members and a subsistence allowance at the standard United Nations rate plus 40%; UPU paid a business class fare to the Chairperson of its Council and an economy class fare to other members, while only the Chairperson of the Council received a subsistence allowance at the standard United Nations rate plus 40%; FAO paid a business class fare to members of its Council travelling for more than nine hours and paid no subsistence allowance; ILO paid a business class fare for flights over five hours for members of its Council and a subsistence allowance at the standard United Nations rate plus 40% and $3; IFAD paid travel expenses at the request of members of its Executive Board and a subsistence allowance at the standard United Nations rate plus 15%; WMO paid members an economy class fare or a subsistence allowance and paid both for the least developed countries; ITU paid a business class fare to members of its Council and a subsistence allowance at the standard United Nations rate plus 40% and $3; IAEA, ICAO, IMO and UNIDO did not bear their Board members’ travel expenses and did not pay any subsistence allowance (Annex I).

6. The following questions were raised during the meetings of the Group:

I. Executive Board

(a) Travel to sessions of representatives not residing in Paris;

(b) Subsistence allowance during sessions of the Executive Board and of the General Conference for representatives not residing in Paris;

(c) Subsistence allowance during sessions for representatives residing in Paris;

(d) Travel for consultations by representatives residing in Paris;

(e) Information missions to UNESCO offices by representatives;

(f) Other official travel on behalf of the Executive Board;

(g) Travel expenses and subsistence allowance for members of the Group of Experts on Financial and Administrative Matters (FA);

(h) Reassessment of the role of the Executive Board’s subsidiary bodies;
(i) Reduction in the number of Member States on the Executive Board

(j) Reduction in the number of sessions of the Executive Board;

II. Executive Board and General Conference

(a) Miscellaneous operating costs of the governing bodies;

(b) Expenditures of the language services and documentation of the governing bodies;

(c) Reduction of staff costs of the governing bodies through merging their two secretariats;

(d) Reduction in the number of items on the agendas of the sessions of the governing bodies;

(e) Reduction of overtime costs of the governing bodies;

(f) Reduction in the volume of documentation of the governing bodies and particularly the composition costs and the number of copies distributed;

III. General Conference

(a) Duration of sessions;

(b) Structure of subsidiary organs.

7. The Working Group affirmed the principle of the universality of the Organization and respect for the right of the Member States to participate, on an equal basis, in the work of the Executive Board and its subsidiary bodies.

8. The Group felt that, in order to substantially reduce costs and improve efficiency, the Board might consider a new system of ad hoc subsidiary bodies, to be convened for specific tasks within a limited time frame. This would provide a better and more flexible service for the Board than the present system of permanent bodies.

9. At the conclusion of its work, the Group decided, by consensus, to submit the following draft decision to the Executive Board for adoption at its 166th session:

The Executive Board,

1. **Recalling 165 EX/Decision 5.2 – II,**

2. **Having examined** the report of the Working Group set up at the 165th session to examine ways and means of reducing the operating costs of the governing bodies of the Organization (166 EX/21),

3. **Recognizing** the need to reduce the operating costs of the governing bodies and improve their efficiency,

4. **Bearing in mind** the principles of universality and equity,

5. **Affirming** the right of the Member States to participate, on an equal basis, in the work of the Executive Board and its subsidiary bodies,
6. Having examined the financial and administrative arrangements contained in the Executive Board’s Rules of Procedure and, in particular, rules 61, 62 and 63 as well as the costs of their application,

7. Decides to adopt the following measures under rule 61 with effect from 1 January 2004:

(a) Discontinuation of the subsistence allowance for representatives or alternates to the Executive Board during sessions of the General Conference;

(b) Discontinuation of the subsistence allowance during sessions for representatives or alternates residing in the locality where the meetings are held;

8. Decides consequently to amend paragraphs 1.2, 3.1.2, 3.4, 5 and 6 of the Annex to its Rules of Procedure as follows (NB. the words or sentences to be added are underlined in the text and the words or sentences to be deleted are struck out):

“....................

1.2 Travel of a representative appointed by the Member, or of any other person specially appointed by the Board, to perform a mission on behalf of the Board, within the terms of a specific decision of the Board. Between sessions, the Bureau may authorize such a mission. The Chairperson should inform the Board annually of all missions undertaken in the preceding year.

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3.1.2 During meetings of the Board or of its subsidiary organs, for each day throughout the period of meetings spent in the locality in which the meetings are held provided the representative or alternate does not normally reside in that locality, including, when meetings are held immediately before, during or immediately after sessions of the General Conference, each day covered by the whole period of meetings of the Board and the Conference; however, representatives appointed by the Members or alternates attending meetings in the locality in which they normally reside (i.e. when no travel or only urban travel is involved) shall receive a subsistence allowance only in respect of days on which they attend meetings;

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3.4 When representatives appointed by the Members or alternates attend meetings in the locality in which they normally reside (i.e. when only urban travel is involved) half the applicable rate shall be paid.

Renumber accordingly.

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5.1 When a representative appointed by the Member is absent and is represented by one or more alternates at certain meetings of a session or of a group of meetings, a subsistence allowance shall be payable to one alternate only in respect of days on which he represents the Member at meetings.
5.2 When an alternate or alternates attend a session or group of meetings instead of the representative appointed by the Member, a subsistence allowance and transportation costs shall be payable for one alternate only, and provided the alternate does not normally reside in the locality where the meetings are held, and that the representative appointed by the Member renounces, for that session or group of meetings, any travel entitlement he may have under subparagraphs 1.1, 3.1.1 and 3.1.2.

6. New members

Representatives appointed by the Members newly elected to the Board shall be eligible to receive a subsistence allowance in respect of any meetings held immediately after the close of the session of the General Conference at which they are elected provided they do not normally reside in the locality where the meetings are held; but however their transportation expenses on this occasion shall not be payable by the Organization;

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9. Recalls also that in pursuance to 145 EX/Decision 3.1.4, paragraph 7(b) a mechanism has been established to enable the representatives or alternates of Member States of the Executive Board who so wish to forgo the travel and/or daily subsistence allowances allocated to them. (Annex II),

10. Invites the Director-General to consider the possibility of reducing the operating expenses of the Executive Board by:

   (a) reducing the volume of documentation and particularly the costs of document composition and distribution;

   (b) reducing or avoiding expenditure on overtime;

11. Invites the Director-General to formulate proposals aimed at improving the functioning of the General Conference, drawing on the following considerations:

   (a) the current length of the General Conference should not be reduced but its structure should be simplified;

   (b) in addition to the economies already made in the operation of the General Conference, in particular as regards documentation, further economies should be sought in the following areas:

      (i) volume of documentation and costs of document composition and distribution;

      (ii) amount of expenditure on overtime;

      (iii) amount of expenditure on supplies, equipment and hire charges;

12. Further invites the Director-General:
(a) to report to the Executive Board at its first session in the year following the General Conference on the operating costs of the Conference by item of expenditure;

(b) to report annually to the first session of the Executive Board on the operating costs of the Board during the previous year by item of expenditure;

13. **Decides further** that savings resulting from this decision should be allocated to the priority programmes;

14. **Finally decides** to consider at its 167th session the following subjects:

   (a) the number of items on its agenda;

   (b) the role of its subsidiary organs.
## ANNEX I

### COMPARATIVE INFORMATION ON THE PRACTICES OF THE OTHER UNITED NATIONS AGENCIES (2000-2001)

<table>
<thead>
<tr>
<th>Agency</th>
<th>Executive body</th>
<th>Frequency and duration of meetings</th>
<th>Cost of meetings</th>
<th>Travel paid and class</th>
<th>Per diem paid and rate</th>
<th>Number of staff assigned full time</th>
</tr>
</thead>
<tbody>
<tr>
<td>ILO (Geneva) 175 members</td>
<td>Governing body (56 members) (28 govt, 14 employers, 14 workers)</td>
<td>3 times per year; Total 55 days per biennium</td>
<td>$3,729,458 For biennium</td>
<td>Employer and worker members: full economy, business if over 5 hours</td>
<td>Employer and worker members: standard rate plus 40% plus $3.75 rounded</td>
<td>2 Professionals 1 General Service</td>
</tr>
<tr>
<td>ITU (Geneva) 189 members</td>
<td>Council (46 Member States)</td>
<td>Once a year: 8 working days</td>
<td>625,550</td>
<td>Business</td>
<td>Standard rate plus 40% plus $3</td>
<td>None</td>
</tr>
<tr>
<td>UPU (Berne) 189 members</td>
<td>Council of Administration (41 Member States)</td>
<td>Once a year: 7-10 working days</td>
<td>400,000 per year</td>
<td>Chairperson: business, Members: economy</td>
<td>Chairperson only: standard rate plus 40%</td>
<td>1 Professional 3 General Service (some part-time)</td>
</tr>
<tr>
<td>WHO (Geneva) 191 members</td>
<td>Executive Board (32 Member States)</td>
<td>8 working days in even years; 10 working days in odd (budget) years</td>
<td>2,911,201 (Financial Report 1998-1999: costs of EB meetings at $5,822,402)</td>
<td>Chairman: first Members: economy</td>
<td>Standard rate plus 40%</td>
<td>5 staff members</td>
</tr>
<tr>
<td>WMO (Geneva) 185 members</td>
<td>Executive Council (36 members – individual capacity)</td>
<td>Once a year, 11 working days</td>
<td>514,962</td>
<td>Members: travel (economy) or per diem. Both for LDC's upon request</td>
<td>Members: per diem (standard rate) or travel. Both for LDC's upon request</td>
<td>None</td>
</tr>
<tr>
<td>IAEA (Vienna) 132 members</td>
<td>Board of Governors (35 Member States)</td>
<td>Five times a year</td>
<td>2,500,000 (Services for policy-making organs)</td>
<td>No travel paid</td>
<td>No per diem paid</td>
<td>3 Professionals 3 General Service</td>
</tr>
<tr>
<td>UNIDO (Vienna) 168 members</td>
<td>Industrial Development Board (53 Member States)</td>
<td>3 times per biennium; 3 working days per session</td>
<td>1,481,100 (approved budget estimates for biennium)</td>
<td>No travel paid</td>
<td>No per diem paid</td>
<td>None</td>
</tr>
<tr>
<td>IFAD (Rome) 161 members</td>
<td>Executive Board (18 Member States)</td>
<td>Three times a year; 2 working days per session and one day of subcommittee meetings</td>
<td>1,154,000 (including staff costs) per year</td>
<td>Executive Directors of members and alternate members upon request – business class</td>
<td>Standard rate plus 15%</td>
<td>8 Professionals 11 General Service (also responsible for meetings of other governing bodies)</td>
</tr>
<tr>
<td>ICAO (Montreal) 185 members</td>
<td>Council (33 Member States)</td>
<td>3 sessions per year; 43 meetings in 1999</td>
<td>380,135 (including staff costs) (1999)</td>
<td>No travel paid</td>
<td>No per diem paid</td>
<td>2 Professionals 3 General Service</td>
</tr>
<tr>
<td>IMO (London) 158 members</td>
<td>Council (32 Member States)</td>
<td>Twice a year: 4 working days per session</td>
<td>127,700</td>
<td>No travel paid</td>
<td>No per diem paid</td>
<td>None</td>
</tr>
<tr>
<td>FAO (Rome) 181 members</td>
<td>Council (49 Member States)</td>
<td>Once a year, three times in a conference year, 16 days in 1998-1999</td>
<td>3,315,000 per year</td>
<td>Economy, business if over 9 hours</td>
<td>No per diem paid</td>
<td>10 Professionals</td>
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ANNEX II

UNITED NATIONS

WAIVER OF TRAVEL AND/OR PER DIEM ENTITLEMENT
OF REPRESENTATIVES OF STATES MEMBERS OF THE EXECUTIVE BOARD

I, the undersigned ............................................................................................................

Representative of .............................................................................................................

in accordance with 145 EX/Decision 3.1.4, paragraph 7(b), concerning the possibility of foregoing
with travel expenses and/or per diem to which I am entitled, wish that the amount equivalent to the
per diem and/or travel be allocated to the priority programmes.

Date:

Signature: