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**EXECUTIVE BOARD**

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**CONSIDERATION OF THE DRAFT PROGRAMME AND BUDGET  
FOR 2006-2007 (33 C/5) AND RECOMMENDATIONS  
OF THE EXECUTIVE BOARD**

**SUMMARY**

In accordance with Item 2805.7 of the Administrative Manual, the International Staff Association of UNESCO (ISAU) presents its own comments on the Draft Programme and Budget for 2006-2007 (33 C/5).

**ISAU'S OPINIONS ON THE DRAFT PROGRAMME AND BUDGET FOR 2006-2007  
(33 C/5, 171 EX/INF.5, 171 EX/INF.6)**

1. **The International Staff Union of UNESCO (ISAU) fully endorses the Draft Programme and Budget for 2006-2007 (33 C/5) proposed by the Director-General and looks forward to its adoption.** Established on a baseline of \$610 million, that is, the same level as the previous biennium, the draft provides for an increase of \$25 million intended to finance certain priorities and other obligatory expenditure of UNESCO. It is estimated for the moment at a total of \$635 million.
2. This draft budget is particularly important. It reflects a genuine concern both for strict budgetary discipline and for the concentration of the Organization's activities on the principal programme priorities as determined by the Member States. It also aims to add impetus to the current process of reform in human resources management, implement a new decentralization strategy and modernize management rules and procedures through the more efficient use of the new information and communication technologies. Lastly, for the first time the budget document contains indicators for expected results so that Member States are better able to measure the achievements promised by the Organization.
3. At a time, then, when the Members of the Executive Board are preparing to consider the draft budget for the coming two years in detail and take a decision on it, ISAU wishes to express its wholehearted support for the efforts made to date by the Director-General with a view to improving the Organization's efficiency and effectiveness and controlling its expenditure. It therefore wishes to stress at the outset that the budget envelope proposed, amounting to \$635 million, and the 1,901 regular posts provided for in the document represent the absolute minimum the Organization needs to accomplish all the work expected of it.
4. In an information bulletin – Verba et Acta, Episode 7 – which it published recently and would like to see distributed to Members of the Executive Board, ISAU has already explained why it recommends the adoption of document 33 C/5 as proposed, in the best interests of the Organization. The overarching problem is in fact that Member States are increasingly requesting the services of the Secretariat, and this demand is growing exponentially while the staff available to the Organization under the regular budget is continually falling in number.
5. For instance, under the three most recent budgets, documents 30 C/5, 31 C/5 and 32 C/5, more than 200 posts were abolished in each *biennium*, that is, a total of 600 job losses to make savings to fund the programme priorities and other inevitable expenditure. Document 33 C/5 as proposed goes the same way: it aims to make yet more savings and strengthen still further the Organization's efficiency.
6. It is true that the “drive for budget savings” and the drastic reduction in staff numbers which have been recurrent for more than five years now may conveniently meet the demands of certain Member States. It is true too that in fact this regime of financial austerity has helped us to focus all our energy on how to give all the Member States more for their money.
7. It is moreover at this price that, thanks to the quality of work of the staff as a whole – constantly striving to make the Organization more profitable and contain its administrative and support expenditure – and by gaining in efficiency, **UNESCO has been able to do more with less. Although the Organization's budget growth has quite simply been nil throughout this period of hardship, the Secretariat has continued to provide what amounts to the same quantity and quality of service to Member States.**
8. **Today, however, the policy of chronic financial austerity has reached its limits** and sooner or later its effects will show in the quality of the Organization's work. The time has come to

be realistic: **it is no longer possible to demand the abolition of even more posts and/or the further reduction of staff costs, or even the cost of the reform, to make still more savings. Further budget restrictions would seriously jeopardize UNESCO's capacity to deliver the services expected of it, especially when Member States impose new mandates on it without increasing its resources.**

9. Concretely, such restrictions would have serious consequences on the overall execution of the Organization's priorities as well as on the Secretariat's performance. They would inevitably lead to the slowing down, postponement or perhaps even abandonment of certain priority programmes and activities. In any event, **and if we wish to maintain harmony among the staff, it will be practically impossible to impose new cuts here and there in the regular budget where, for years now, there has been no more "dead wood" to be removed, at least as far as much reduced staff numbers go.**

10. Therefore, because it is first and foremost concerned to keep the Secretariat's head above water, **the Association is convinced that the programmes and activities identified by Member States, as provided for in document 33 C/5, cannot be carried out properly unless the budget receives all the necessary funds.** Extreme cost-cutting cannot be an end in itself. **The reform measures proposed by the Director-General to breathe new life into the Secretariat and improve its efficiency are core objectives to bring the Organization into the new millennium. They cannot then be used as pretext for a new round of budget cuts.**

11. In other words, **ISAU does not intend to subscribe to any reduction whatsoever in budget allocations, or to any abolition of programmes, activities or posts included in document 33 C/5. We consider that every dollar, every product, every activity, every post in this draft budget has its own merits and reflects a genuine desire not only for economy but also to focus programmes on UNESCO's priorities.**

12. Consequently, **we support all proposals to invest in the current reforms aimed at revitalizing and enhancing the Organization's human resources,** especially since we endorse, as a matter of principle, the new proposed staffing strategy in which we place much hope. **We also support the strengthening of staff numbers and the readjustment of resources for the benefit of field offices under the new decentralization strategy, and also the modernization of staff management tools** through the use of the new information and communication technologies.

13. In short, we hope most sincerely that each Member of the Executive Board will have considered document 33 C/5 in a spirit of collegiality, and with a sense of defending a common cause. **ISAU therefore urges each and every one of them to come out quite clearly without the slightest reservation in favour of this draft budget, without going to extremes of prodigality or parsimony.** The proposals contained in the document would, we are quite sure, be hard to cut back, and they are in the final analysis reasonable in many respects. They offer a balanced response to the need to satisfy the ever-growing priorities of Member States, to invest cautiously in the reforms the Organization has embarked upon to increase its efficiency and better serve its stakeholders, to re-motivate the staff and preserve harmony, and to do so without the slightest relaxation of budget discipline, and without the Director-General having to cope with overly harsh financial constraints.

14. ISAU is more than ever aware that UNESCO's effectiveness and credibility, as a specialized agency of the United Nations system, depend on its capacity to adopt a budget by consensus, without ever having to resort to voting. It fervently hopes that document 33 C/5 will be adopted, and remains confident that the broadest possible agreement will be reached on it without delay, which will inevitably send out a clear and positive signal of the Executive Board's renewed support for the Organization's activities and those serving it in the Secretariat.