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FOLLOW-UP TO DECISIONS AND RESOLUTIONS ADOPTED BY THE EXECUTIVE BOARD AND THE GENERAL CONFERENCE AT THEIR PREVIOUS SESSIONS

PART III

MANAGEMENT ISSUES

UNESCO'S STRATEGIC TRANSFORMATION

SUMMARY

In accordance with 204 EX/Decision 31, the current document presents:

- Updated and comprehensive information on how (Parts 1 and 2 of) the Strategic Transformation process intends to improve UNESCO's operational efficiency and means of action; and
- A concept paper containing an implementation strategy for strengthening the strategic reflection on UNESCO's programmes (Part 3 of the Transformation process). This concept paper also includes information on the Director-General's high-level reflection group.



BACKGROUND

1. The Executive Board at its 204th session considered the process proposed by the Director-General for UNESCO's strategic transformation. During the debate, Board members welcomed the efforts of the Director-General to deepen the ongoing reform. They stressed the importance of continuing this process to improve programme implementation, with a view to achieving the 2030 Agenda and to maintaining the Organization's leadership role within the United Nations system in the areas of its mandate. The Executive Board also stressed the importance of involving Member States and their National Commissions in UNESCO's strategic transformation process.

2. In this regard the Executive Board in 204 EX/Decision 31, requested "*the Director-General to submit to the Preparatory Group at its special meeting and to the Executive Board at its 205th session the following: updated and comprehensive information on strengthening the efficiency of the means of action, as indicated in paragraph 10 of document 204 EX/31 (Part 2 of UNESCO's strategic transformation), and a concept paper on the process of UNESCO's strategic transformation as indicated in paragraphs 11-15 of document 204 EX/31 (Part 3 of UNESCO's strategic transformation) including information on the advisory group and the scope of its mandate, taking duly into account the debate during its 204th session ...*".

3. The purpose of this document is to respond to this decision. It starts with information on what has been achieved since the 204th session of the Executive Board and outlines how Parts 1 and 2 of the transformation process are expected to improve UNESCO's operational efficiency and means of action. The second section of the document outlines how Part 3 of the Strategic Transformation process is expected to improve the strategic reflection on the programmes. The latter section is presented in the form of a concept paper, and as requested in 204 EX/Decision 31 para. 10, it includes information about the Director-General's high-level reflection group.

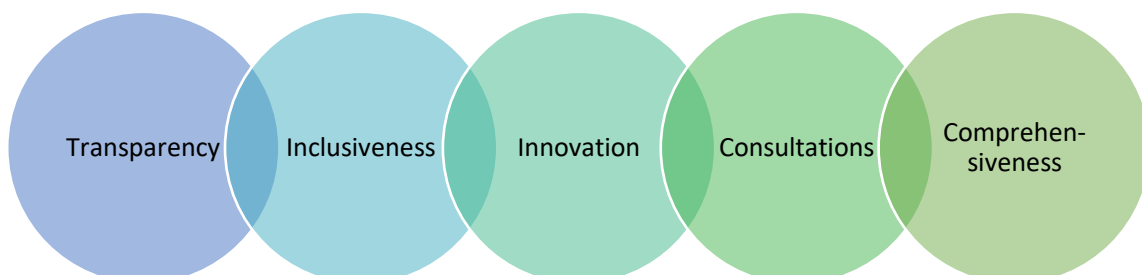
I. UPDATED AND COMPREHENSIVE INFORMATION ABOUT HOW THE STRATEGIC TRANSFORMATION PROCESS (PARTICULARLY PARTS 1 AND 2) INTENDS TO IMPROVE UNESCO'S OPERATIONAL EFFICIENCY AND MEANS OF ACTION

Objectives of the Strategic Transformation Process

4. UNESCO's Strategic Transformation is a process and not an end-result in itself. Consistent with document 204 EX/31, it includes a series of coherent, interrelated and iterative steps aimed at:

- Strengthening UNESCO's programmes and priorities including through a strategic review;
- Reinforcing UNESCO's global agenda setting, normative, international cooperation, policy advice and operational roles;
- Opening up UNESCO and creating new partnerships while reaffirming the intergovernmental nature of the Organization; and
- Enhancing UNESCO's efficiency and effectiveness.

5. These objectives are underpinned by the following general principles:

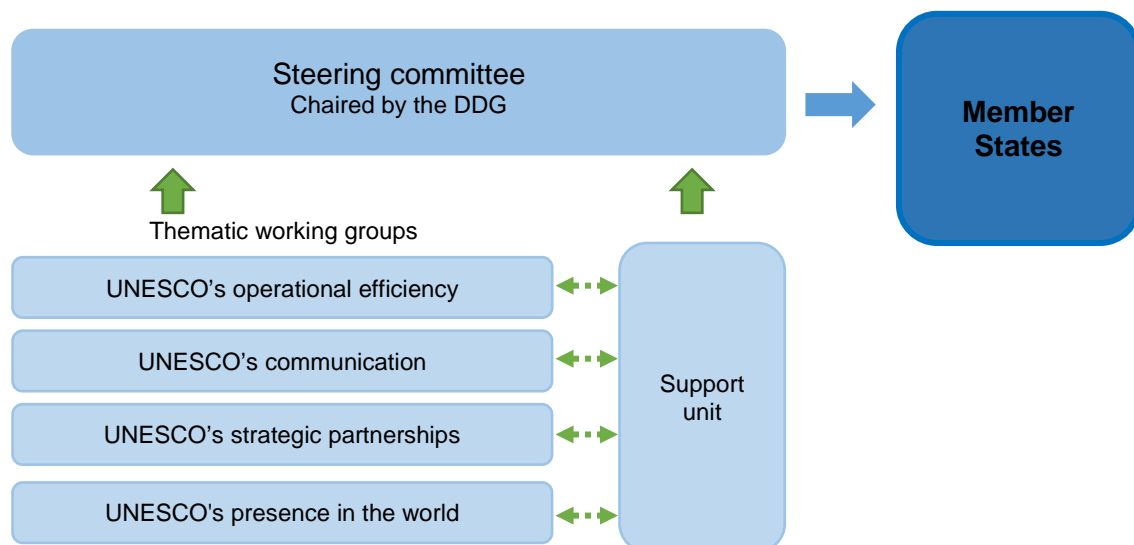


6. Throughout the strategic transformation, the following paradigm will be applied:

- Taking advantage of the coherence of UNESCO's mandate and discouraging “silos”;
- Efficient use of resources and transversal programme approach;
- Increased focus on the programmes, on areas of UNESCO's comparative advantage and on the 2030 agenda;
- Improving and simplifying working methods;
- Encouraging staff commitment and engagement;
- Enhancing consultations and participation (with Member States, United Nations system, and other relevant stakeholders).

Governance of the Strategic Transformation Process

7. The general governance of the transformation process will be led by a steering committee, tasked with providing strategic direction and oversight of the strategic transformation process. The steering committee will be supported by a support unit (previously referred to as the task force), which will serve as the secretariat to the steering committee and which will seek to ensure the coordination, coherence and timely completion of the work of the four thematic working groups. The steering committee reports to the Director-General who oversees and approves all internal reform proposals, subject to any matters requiring the approval of the Executive Board. Member States will be kept informed of the advancement of work and of the transformation process in general, during preparatory group meetings and in periodic reports presented to the Executive Board. The following diagram summarizes the relationship between the steering committee, the support unit and the different thematic working groups.



Steering committee

8. The steering committee held its first meeting on 4 June 2018. It will be chaired by the DDG and composed of the ADGs, the Director of the Cabinet, the Director of the Bureau of Strategic Planning, as well as the Director of Internal Oversight Services as an observer. The responsibilities of the steering committee include: providing strategic direction and oversight to the transformation process; monitoring the coherence and efficiency of the initiatives undertaken and ensuring that risk management and risk mitigation are appropriately addressed throughout the exercise.

Support unit

9. The support unit (previously referred to as the task force) is established to ensure the coherence of the various transformation initiatives and to provide secretarial, coordination and logistical support to the different committees and groups. In an effort to ensure the highest level of

transparency and inclusiveness possible, the Director-General launched a “call of interest” within the Secretariat to solicit candidates for this unit. The approach was very well received by the staff and the staff associations, and has helped galvanize the staff. Over 65 candidatures were received, a third of which were candidates from the field offices. The support unit will consist of three professional staff detached from their respective sectors/services to work full-time on the transformation process, assisted by 2 general service staff. Their main responsibilities will include:

- Assisting the steering committee in carrying out its functions, including by providing regular reports and serving as the secretariat of the steering committee;
- Providing secretarial, coordination and logistical support to the different groups;
- Monitoring the progress of the tasks of the various groups to ensure that the initiatives are completed successfully and in a timely manner;
- Developing a dashboard containing key performance indicators required to measure progress and demonstrate success.

Updated Information of Efforts to Enhance Operational Efficiency (Parts 1 and 2 of the Strategic Transformation Process)

10. Since the last session of the Executive Board, the transformation process was successfully launched. Apart from the establishment of the steering committee and the support unit, the following elements have been accomplished.

ADG of the Administration and Management Sector

11. The recruitment of the ADG of the Administration and Management Sector was launched on 20 April 2018 after a thorough drafting of the vacancy notice taking into account best practices from the United Nations system. The due date for receiving applicants was 1 June 2018, and at that date 687 applicants were received. As per the regular procedures, a panel is being constituted to assess and interview the most qualified applicants and to make their recommendation to the Director-General. The associated organizational restructuring will take place once the ADG is appointed. As recommended in the report of the Oversight Advisory Committee, the recruitment of this post and the associated restructuring is a major initiative of the transformation process, and is expected to generate concrete results in the short to medium term. Expected results of this initiative include greater transparency, a better integration of all support services, and a greater focus by senior management on strategic issues.

Four thematic working groups

12. Four thematic working groups were launched to implement measures aimed at making the Organization more agile, effective and efficient. These groups are chaired by ADGs, and consist of staff from all levels of the Organisation whether professional or general service staff, from Headquarters and from the field. The views of the staff associations were sought and taken into account regarding the general principles of the composition and functioning of the working groups. In a spirit of inclusiveness and transparency, a call of interest was also sent for these groups and over 170 expressions of interest were received. Provisional information about the methodology and main expected results of the thematic working groups is provided below. It should be noted however, that the working groups may change these elements during the course of their work.

13. As a common methodology, the thematic working groups will:

- Review and analyse the current situation in their respective thematic area and identify gaps that may exist. This exercise should include an assessment of oversight recommendations, governing body decisions, recommendations of the Working Group on Governance, previous and ongoing reform initiatives (e.g. “Invest for efficient delivery”), United Nations reform, existing business practices and procedures, etc.;

- Identify critical bottlenecks/gaps/duplications or other inefficiencies to be addressed, which have a negative impact on programme and operational delivery;
- Identify and propose the most cost effective and efficient solutions; and
- Assist in implementing the proposals once approved and provide regular status reports of results achieved.

14. The main expected results of the specific thematic working groups include:

Thematic working groups	Expected results	Objective
<p>1. UNESCO's operational efficiency</p> <p>Chaired by: ADG/SHS and ADG/ADM</p>	<p>UNESCO's:</p> <ul style="list-style-type: none"> - Overall operational capacity enhanced; - Its administrative structure assessed and further streamlined where possible; - HR policies and processes revised and implemented to ensure better: workforce planning; recruitment and selection; classification; learning and development; mobility; performance management; and grievance procedures; - Business processes revised, simplified and where possible automated (including the programming, budgeting and monitoring processes); - Implementation of oversight recommendations accelerated; - Accountability, ethics and risk management cultures enhanced; - Delegation of authority and accountability framework revised; - Change management process enhanced. 	<p>An open, efficient, agile UNESCO that is able to meet the needs of its stakeholders at Headquarters and in the field</p>
<p>2. UNESCO's communication</p> <p>Chaired by: ADG/CI and ADG/CLT</p>	<ul style="list-style-type: none"> - Use of UNESCO's brand capitalized and international influence enhanced by strengthening its image; - UNESCO's communication strategy revised and adequately implemented; - Structure of the communication support team(s) reviewed; - Communication of UNESCO's work (particularly in the field) strengthened; - Use of UNESCO's network and communication channels optimized. 	
<p>3. UNESCO's Strategic partnerships:</p> <p>Chaired by: ADG/ED and ADG/SC</p>	<ul style="list-style-type: none"> - Resource mobilization managed in a more effective and integrated manner; - Structure of the resource mobilization team(s) reviewed; - Quality and number of partners optimized; - Partnership models, in particular for private sector partnerships, reviewed and enhanced; - Level of resource mobilization increased, particularly in the field offices. 	
<p>4. UNESCO's presence worldwide</p> <p>Chaired by: ADG/AFR, ADG/IOC and a Field Director</p>	<ul style="list-style-type: none"> - The coherence and sustainability of UNESCO's field structure improved; - Comprehensive accountability and reporting framework established; - UNESCO's footprint and field structure reviewed, and revised as necessary in accordance with the United Nations reform. 	

15. The results of the thematic groups' work will be essential for subsequent strategic reflection on the programmes.

II. CONCEPT PAPER – IMPLEMENTATION STRATEGY FOR THE STRENGTHENING AND STRATEGIC ADJUSTMENT OF THE PROGRAMMES

16. The following concept paper is a work in progress, and as such is intended to be open to a broad discussion with all stakeholders.

17. The third component of the Strategic Transformation process concerns the programmes. The intention is to begin an inclusive, transparent and participative reflection on the programmes with the aim of increasing UNESCO's relevance and effectiveness for the benefit of Member States at a critical time in the life of the Organization. This reflection will involve Member States, the Secretariat, and UNESCO's partners. It must reflect the rapidly-changing global environment, which raises considerable challenges for the Organization and the international community. Despite the socio-economic progress of many countries, the world is suffering from the persistence of extreme poverty; unemployment particularly among young people; growing economic inequality; refugee crises; armed conflicts; devastating effects of climate change and natural disasters; shortages of drinking water; gender-based violence; ethnic, religious and gender-based discrimination; and the growth of violent extremism.¹

18. The third part of the strategic transformation process will also be inspired by the broad action frameworks at the international level, the most important of which is the **Agenda 2030** founded on the principles of universality, integration and transformation, and which constitutes the action framework of the United Nations system. This opens additional perspectives for UNESCO, particularly in the fight against poverty and inequalities, sustainable development, the development of peaceful and inclusive societies, but also in terms of partnerships, inter-disciplinarity and joint programming. In this regard, the strategic reflection will continue and deepen the process of aligning the programmes with the Agenda 2030 (a process which began in the 39 C/5). In addition, the **United Nations reform** implies new forms of organization, cooperation and management and thus UNESCO's Strategic Transformation process will to the extent possible, ensure strategic alignment with the ongoing United Nations reform.

19. At an internal level, this reflection will build on the other two parts of the strategic transformation process. As indicated in document 204 EX/31, the objective of this reflection is to "prepare the evolution of the programmatic axes with regard to the challenges of the contemporary world".

Enhanced Consultation Process, in particular with the Member States

20. As presented in Annex below, the Strategic Review process will be aligned with the main stages of preparing the next C/4 and C/5 documents. The aim is to provide a more solid basis for preparing the "Director-General's Preliminary Proposals on the Draft 41 C/4 and 41 C/5". The process envisaged for the period 2018-2021 would provide the basis for this strategic forward thinking in 2018-2019, and, in a second phase starting in 2020, prepare concrete proposals for the development of the next Medium-Term Strategy and the next programme documents (41 C/4 and 41 C/5).

21. Consistent with the ideas expressed by Member States at the last Executive Board, the Strategic Review will benefit from strengthening consultations with Member States, through appropriate involvement of National Commissions in the process. In addition, the transformation process proposes to include a bottom-up strategic review within the sectors.

¹ See the report of the United Nations Secretary-General, "Repositioning the United Nations development system to deliver on the 2030 Agenda: ensuring a better future for all", 11 July 2017.

22. The strategic reflection process, which will be led by the Secretariat, will be conducted in two main stages:

- A. As a first phase, the programme sectors will undertake a sectoral strategic review, in close cooperation with the field offices, category 1 institutes, and the central services concerned, in particular BSP, AFR, GE and IOS:
- (i) As a new element, the Strategic Transformation proposes to improve the consultation process by organizing sectoral strategic consultation meetings (open-ended) between the ADGs and the Member States. The objective is to have an open discussion with the Member States on the next Medium-Term Strategy based on an assessment of the added value and impact of the Organization's programmes on the ground.
 - (ii) Each ADG will conduct, in coordination with field offices, and beginning in autumn 2018, sectoral programme consultations with all stakeholders on: the performance and impact of their programmes, global and regional trends, challenges and opportunities, and future strategic and programmatic directions. The sectoral consultations can include intergovernmental and interministerial meetings and other meetings with relevant partners. ADGs will benefit from meetings foreseen by the governing bodies of the category 1 institutes, international and intergovernmental programmes and conventions to ensure their participation and contribution to the process of the strategic reflection. An institutional framework and appropriate guidelines will be developed by BSP in collaboration with the programme sectors, to facilitate the coordination and ensure a consistent approach to conducting these consultations. In particular, for this review, the sectors can be inspired by the methodology used to prepare the 2015 Strategic Results Report (SRR), taking into account the Analytical Programme Implementation Report (APIR 2018), and relevant audit and evaluation reports.

Output 1: The Strategic Results Report (SRR) 2020: the findings of this review should identify areas requiring modification in the short, medium and long term – in terms of the content, implementation, resources required, and ways of moving forward, including the identification of new programmes. These elements will be presented in the spring 2020 Strategic Results Report (SRR), which is intended to inform the Executive Board's upstream discussions on the future programme and budget that will lead to the Director-General's Preliminary Proposals for the next C/5.

- B. The “*Director General’s Consultation with Member States and Associate Members and Partners (IGOs and NGOs) on the preparation of the Draft Medium-Term Strategy for 2022-2029 (41 C/4) and the Programme and Budget for 2022-2025 (41 C/5)*” is a continuation of the work already undertaken and the consultations previously carried out. It will be realized:
- through an electronic survey (Spring 2020);
 - through consultations with the National Commissions at the subregional and regional levels to be organized by the field offices in cooperation with BSP and ERI in the spring of 2020 (January-May 2020); and at the global level, through an interregional meeting (early June 2020);
 - As requested by Member States, the way and means of better associating the National Commissions in the strategic reflection process will be discussed at length during the 5th Interregional Meeting of the National Commissions for UNESCO which will take place from 19-21 June 2018 in Kenya. At the time of drafting, 116 National Commissions had confirmed their participation, which would enable ADG/ERI a.i. to hold an in-depth discussion on the subject.

Output 2: Programmatic priorities identified in the analytical report of the survey and the reports of the regional consultations with the National Commissions.

23. In addition, as indicated in document 204 EX/31, the Director-General will solicit independent and recognized personalities and advisers in UNESCO's fields of competence with the objective of advising her on emerging trends and challenges, including those of a global and intersectoral nature, which are relevant and likely to have an impact on UNESCO's fields of competence. The aim is to identify future programmes that would be most appropriate to best support Member States in their efforts to achieve the 2030 Sustainable Development Goals.

24. The result of this consultation will be presented in the Director-General's progress report on the strategic transformation, in particular in the report which she will share with Member States at the autumn session of the Executive Board in 2019, and which would then be submitted to the 40th session of the General Conference. In addition to this document, and in order to feed into the general policy debates and the debates of the different Programme Commissions on the next medium-term strategy and programme documents (41 C/4 and 41 C/5), the Executive Board members may have the opportunity to dialogue and exchange with members of the reflection group during a day of exchange/dialogue that could be organized during or just before the Executive Board session in autumn 2019.

Output 3: Progress report of the Director-General on the Strategic Transformation presented to the 207th session of the Executive Board and to the 40th session of the General Conference.

25. The "*Director-General's Preliminary Proposals on the Draft 41 C/4 and 41C/5*", will be submitted to the Executive Board at its autumn session in 2020. The Annex below provides a brief overview of the strategic reflection process and the stages of preparing of the Medium-Term Strategy and the Programme and Budget documents, from autumn 2018 to the autumn session of the General Conference in 2021.

Annex: Provisional Outline of the Strategic Reflection Process and Preparation Steps for the C/4 and C/5 (2018-2021)

	2018	2019		2020			2021			
	Autumn 2018 Executive Board	Spring 2019 Executive Board	Autumn 2019 Executive Board	Autumn 2019 40th GC	January –May 2020	Spring 2020 Executive Board	Autumn 2020 Executive Board	Spring 2021 Executive Board	Autumn 2021 Executive Board	Autumn 2021 4st ^t GC
Director-General	DG's Preliminary Proposals for the Draft 40 C/5 Budget (2020-2021) Progress report on the implementation of the Strategic Transformation Process	Draft 40 C/5 Budget 2020-2021 presented by the DG (including programmatic and structural adjustments, if any) Progress report on the implementation of the Strategic Transformation Process	1. Follow-up to the Board's decisions 2. Progress report on the implementation of the Strategic Transformation Process (Output 3) 3. Draft road map for the preparation of 41 C/4 and 41 C/5	1. Draft 40 C/5 Budget 2020-2021 2. Progress report on the implementation of the Strategic Transformation Process (Output 3) 3. Draft road map for the preparation of 41 C/4 and 41 C/5	Consultations with Member States, Associate Members, NGOs, IGOs Regional and subregional meetings of the National Commissions	Strategic Results Report (SRR) (Output 1)	Preliminary proposals on the 41 C/4 Medium-Term Strategy (2022-2029) and the Draft 41 C/5 Programme and Budget (2022-2025), including the Report on the Consultations with National Commissions (Output 2)	Draft 41 C/4 Medium Term Strategy (2022-2029) and Draft 41 C/5 Programme and Budget (2022-2025)	Follow-up to the Board's decisions	Draft 41 C/4 Medium Term Strategy (2022-2029) and Draft 41 C/5 Programme and Budget (2022-2025)
Executive Board / General Conference (GC)	Decisions of the Executive Board on the 40 C/5	Decisions and recommendations of the Executive Board (40 C/6)	Recommendations of the Executive Board to the GC (40 C/6 Add.)	Adoption of the 40 C/5 Resolutions containing strategic directions for the 41 C/4 (2022-2029) and 41 C/5 (2022-2025)		Review of the SRR and recommendations to the GC on the future direction of the programme	Decisions of the Executive Board	Decisions and recommendations of the Executive Board (41 C/6)	Recommendations of the Executive Board to the GC (41 C/6 Add.)	Adoption of the 41 C/4 Medium Term Strategy (2022-2029) and the 41 C/5 Programme and Budget (2022-2025)
	STRATEGIC TRANSFORMATION (STAGES 1, 2, 3)			PREPARATION OF THE DRAFT 41 C/4 AND 41 C/5						