Towards a Compact

**Proposals for Improved Governance and
Management of the United Nations Secretariat**

**Report of final proposals
by the Four Nations Initiative**

September 2007

The Four Nations Initiative
on Governance and Management of the UN
CHILE • SOUTH AFRICA • SWEDEN • THAILAND

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Foreword

In 2005 the Governments of Chile, South Africa, Sweden and Thailand agreed to launch the Four Nations Initiative (the 4NI) in an effort to provide new ideas and perspectives on governance and management of the UN Secretariat. A Steering Committee with representatives of the four countries was appointed. During 18 months of 2006 and 2007, the 4NI Steering Committee with the support of a Secretariat formulated and refined a number of proposals complementary to the ongoing Secretariat and management reform processes.

The Steering Committee of the 4NI is pleased to submit its final report including 32 specific proposals. The report is the result of the work and analysis of the Steering Committee in consultations with the Member States and the Secretariat of the United Nations. We present the recommendations to all Member States and the Secretary-General with the hope of contributing to the continued efforts to build a strong and efficient UN better equipped to respond to the challenges of today and tomorrow.

The 4NI has benefitted from many comments and ideas received during numerous consultations. We owe gratitude to many concerned Member States and Secretariat representatives for their valuable input to the recommendations. The broad participation in the process of creating the report should in itself be a step in building a new and much needed compact where everybody stands to win.

The United Nations will always have to change and adapt to new and old challenges. This is our humble contribution.

The Steering Committee of the Four Nations Initiative
on Governance and Management of the UN

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Executive Summary

Expectations and demands on the UN are rising as volumes increase and diversity accelerate. The Organization works in volatile environments with an expanding number of complex issues. Continued efforts to achieve improvement are needed. Low levels of trust within the UN – between Member States and between Member States and the UN Secretariat – have at times complicated the debate on and the consideration of proposals for change. There are signs that the atmosphere is improving.

The Four Nations Initiative (4NI) believes that efforts to increase accountability and transparency in the UN are central to enable the UN to meet the challenges ahead, and to further build confidence. Such efforts will benefit all.

A compact on these issues is both needed and possible.

The 4NI: basic assumptions and main focus

The 4NI was conceived in 2005 by Chile, South Africa, Sweden and Thailand. It was created as a result of a perceived need for new ideas and complementary views on improved management of the Secretariat. The 4NI seeks to contribute to and complement the many ongoing efforts and to provide a Member States perspective, as owners and governors of the Organization.

The roles of the Member States and of the Secretariat are defined by the UN Charter, but the roles are not always adhered to. The 4NI does not wish to change the formal governance structures of the UN. The unique inclusive and intergovernmental nature of the Organization must be respected and should be maintained.

This final report summarizes conclusions reached in previous work of the UN, in studies commissioned by the 4NI Steering Committee during autumn 2006 and in extensive consultations conducted by the 4NI Secretariat during 2007. The main conclusion from the studies and consultations is that increased accountability and transparency are widely seen as fundamental for further improvements of UN governance and management. The main focus is therefore on presenting proposals for improved accountability and transparency, for consideration by Member States and the Secretariat.

The bulk of the proposals concern three of the main work processes of the Organization; *the mandate-generation cycle*[1], the planning and budgetary process and the management of human resources. These areas are interlinked but yet separate, and highly relevant for decisions and priority setting in the UN.

A first draft report with preliminary proposals was presented to the Member States in June 2007. After renewed consultations, the 4NI reached these final recommendations. The report aims at contributing to dialogue between Member States of the United Nations and the Secretariat. It is not intended to replace the ongoing considerations on these issues by Member States in the established fora at the United Nations.

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[1] A concept used by the Secretary-General meaning the cycle through which mandates are adopted, funded, implemented and finally considered for continuation, change or elimination

Mandate-generation cycle

The document presents proposals to improve management of the future mandates given by the Member States to the Secretariat. The focus is mainly on the complex outcome-based mandates. The Results-Based Management approach is suggested as a useful tool to ensure better accountability and transparency.

Efforts to formulate clear objectives and targets for new mandates, to the extent possible, should be made so that implementation by the Secretariat can be measured and evaluated. Resources for implementation of the mandates and for adequate evaluation must be provided. Guidelines for qualitative reporting should be introduced.

Planning and budgetary process

The document also presents proposals on how to improve accountability and transparency in the *planning and budgetary process*. A valuable feature of this process is its inclusiveness. All Member States are, and should be, entitled to participate in this central work process.

An important tool for the UN to increase transparency and accountability is Results-Based Budgeting (RBB), a method endorsed by the General Assembly in 2000. The 4NI recommends that the results-based focus is further developed through better quality of reporting, increased attention on measurement of results and improved evaluations. Training should be provided to ensure that the actors involved are sufficiently familiar with the RBB tools.

Various departments and organs of the UN Secretariat are increasingly relying on the use of extra-budgetary resources. There are both advantages and disadvantages in this. The 4NI has observed that several Member States expect a higher degree of transparency in the management of trust funds.

Human resources management

The third main area discussed is human resources management. The 4NI is concerned over the insufficient transparency in appointments of USGs, ASGs and SRSGs. Recruitment should be made on the basis of merit and with full respect for the principles of the Charter.

Member States also express frustration over an inadequate emphasis on pro-active recruitment of staff from under-represented countries. A more refined system of announcing vacancies should be developed in order to reach out to all qualified candidates and the current weighted system for ensuring geographical distribution should be reviewed. The UN is recommended to improve and expand training and capacity-building; both for the benefit of Secretariat staff and for Member States representatives. A knowledge-based organization relies on and must invest in its staff.

Plenty of work is presently undertaken in the area of human resources – for example in connection to resolution 61/244. This could be complemented with efforts, in due time, to formulate a comprehensive vision for the long-term personnel policy.

Dialogue and arenas

There seems to be a need for more inclusive and transparent arenas for dialogue between Member States and for dialogue with the Secretariat, such as retreats, workshops and seminars.

Additional arenas for dialogue should be open to all Member States. They should not replace the formal structures, but complement these by providing opportunities for all to participate in transparently held discussions. Inclusive arenas could be used to exchange views on complex issues and to arrive at common understandings of central concepts. The Secretary-General is encouraged to continue to conduct informal and inclusive consultations with Member States, especially early during the early phases of the decision-making process.

The institution of the President of the General Assembly could be further explored as a mechanism to facilitate dialogue among Member States. Consideration should be given to securing staff and other resources for the PGA in order to strengthen the institution, in line with the budgetary process of the UN.

Peer review

The idea has emerged that a system of peer review in UN organizations might be a way to increase transparency and to extend systems for quality controls. The purpose is to increase organizational learning by using existing knowledge. The CEB as the centre of the UN's coordination structure provides an opportunity to introduce such a system of peer reviews, providing the respective organizations and their members with a mechanism for relevant information exchange and stimulation to pursue further reform efforts.

Towards a compact

A compact is outlined, including the following elements:

1. A "culture of ownership", a joint search for common ground: Respect for established negotiating structures and considering additional informal, transparent and inclusive arenas for consultations and dialogue, such as retreats, workshops and seminars.
2. A joint understanding of the different but complementary roles of Governors and Management.
3. Increased accountability and transparency in setting priorities on mandates and budgets, and in development and management of human resources – processes central to the relations between Governors and Management and to the functioning of the Secretariat.
4. Improved overview and oversight; feedback and evaluation.

A transparent and inclusive process towards improvements will visualize possible gains for all parties involved. The UN will always need further, gradual improvements to adapt to the changing world. The analysis by the 4NI is that genuine change is possible.

The need for a compact

The United Nations is frequently debated, sometimes criticized, but the governance and management problems of the UN are the result of rising expectations, not of diminishing demands; the most important global issues continue to be brought to the world body for deliberations. However, low levels of trust, at times due to attempts to limit the participation of some Member States in decision-making processes, and lack of clarity on proposals have sometimes complicated the debate on and the consideration of proposals – even when there is broad acceptance of the need for further change.

In a world of globalization we must be better prepared to deal with an increasing number of complex issues transcending national borders. The UN should play a central role in meeting these challenges.

Ultimately decisions on priorities, on resources and on actions are at the heart of the UN. They are central to the relations between Governors (Member States) and Management (the Secretariat). However, is this institutional and procedural framework – or the human resources system – sufficiently equipped to meet the demands of the future; increasing volumes, increasing diversity and rising expectations?

The UN is unique in its tasks and its structure. It works in complex and volatile environments and in complicated political settings. It needs a constant agenda of adjustment and improvement. The needs for transparency and accountability, for strong and clear checks and balances, are extraordinary. Change in an atmosphere of low trust means that many fear that they might lose out. But continued efforts for improvements are needed. It could be argued that all Member States stand to lose in the absence of progress.

The chances of mounting a successful reform programme increase if many stakeholders see clear gains from, and the value of, the process. It is equally important that all stakeholders clearly see, and participate in, the process and decision-making.

Trust, and the lack of it, has both political and technical aspects. Confidence-building can be the subject of systematic efforts and can be an important element of a reform agenda – both part of and the basis for a compact. The leverage to increase efficiency is substantial if the handling of governance and management issues bridges the confidence gap, and low, even negative, if it results in further division.

We believe that increased accountability and transparency are central to enable the UN to meet the expectations of the world community of today. We also believe that eventually such efforts will benefit all. We believe that a compact is both needed and possible.

These are our proposals.

1 Background and context

In recent years there have been plenty of reform efforts in the UN. In addition to the establishment of a *Peacebuilding Commission*, the adoption of a *Counter-Terrorism Strategy* and the creation of a *Human Rights Council*, important initiatives have been taken in the governance and management areas. A number of major proposals and ideas have been discussed and inspired further consultations, such as the Secretary-General's numerous reports on *Investing in the UN* and *Mandating and Delivering*. A report by the Redesign Panel on the Administration of Justice at the United Nations has also been considered.

Reform efforts will continue during 2007 and beyond; Member States will work in the Fifth Committee, in particular, on issues such as the operationalization of the UN Independent Audit Advisory Committee (IAAC), on procurement reforms and on strengthening of UN oversight. The 62nd General Assembly will consider proposals on for example the accountability framework, risk management, results-based management, administration of justice, and human resources management.

Box 1: Management reform progress and success before and during 2006

- A Chief Information Technology Officer was established.
- Decision to replace the Integrated Management Information System (IMIS) with a more suitable enterprise resource planning system.
- The International Public Sector Accounting Standards (IPSAS) were adopted and approved.
- Authorization of limited discretion for budgetary implementation by the Secretary-General; up to USD 20 million per biennium on an experimental basis.
- Strengthened internal controls, diversifying the sources of origin and additional resources to strengthen the UN procurement system.
- The Ethics Office became operational.
- A financial disclosure policy implemented in the Secretariat; monitored by the new Ethics Office.
- A whistle-blower protection policy was established.
- An increase of the Working Capital Fund to USD 150 million.
- Mandate review conducted; electronic registry of mandates produced.
- Measures to improve human resources management system and policies.
- Increased resources for auditing and investigation functions of the Office of Internal Oversight Services.

The Four Nations Initiative (4NI) was conceived in 2005 by Chile, South Africa, Sweden and Thailand. It was created as a result of a perception among many Member States, as well as in the Secretariat, of a continued need for new ideas and complementary views on improved management. Many efforts and initiatives have already

been taken. However, even though there is a broad acceptance of the need for further reforms, agreement has been difficult to reach, in particular in early 2006. One reason for this seems to be that there is and insufficient level of trust between actors in the UN. Another reason is that proposals for improvement have not always taken into consideration the unique nature of the UN and its character of an intergovernmental international body based on universal membership. It was not always clearly explained how the new proposals would strengthen and build upon previously approved reform measures. Member States are also guided by different national agendas, and compromise has proved to be difficult at times.

The aim of the 4NI is to contribute to the current processes and to enhance and complement ongoing efforts by providing a Member States perspective. The focus is on how to improve the relationship between the Member States and the Secretariat. Nothing in the work of the 4NI aims to limit Member States influence or authority in the decision-making processes of the Organization. There is no agenda to change the roles of Member States as defined by the Charter; the Charter principle of inclusiveness must be protected.

Box 2: 4NI project phases

The project is divided into five phases (see also Annex 2):

1. The preparation phase, spring 2006, when the terms of reference for the studies were decided, the researchers identified and the procurement process initiated.

2. The assessment and analysis phase, autumn 2006, focused on problem-oriented descriptions and analysis. Three initial studies aimed at describing some of the main governance and management challenges facing the UN Secretariat were carried out with the objective of laying the ground for wider understanding of existing problem areas.

3. The consultation phase, during spring 2007, consisted of analysis of the reports plus broad consultations on five main areas of concern regarding governance and management.

4. The conclusions and recommendations phase, initiated in May 2007, drew conclusions from the work carried out so far, formulating recommendations regarding governance and management of the UN Secretariat. Some preliminary proposals presented in June underwent additional consultations before the final recommendations were put forward.

5. The final presentation and dissemination phase, autumn 2007, consists of the dissemination of the results and the final recommendations of the project.

All information about the 4NI work and progress has been updated continuously on the 4NI website: www.the4ni.org in an attempt to provide transparency.

The Initiative began its substantive work with an assessment and analysis phase during autumn 2006. Work during this phase was concentrated on three different, but intertwined, areas:

(i) Mandates and roles,
(ii) Governance, accountability and transparency,
(iii) Budget and financing.

The 4NI commissioned three teams of researchers, each headed by an expert with in-depth knowledge of the UN. The resulting studies, one on each area, provide an assessment and analysis of problems and challenges as seen by Member States[2]. During this phase the focus was on identifying the main areas of work; there was no ambition to provide proposals for change at this time.

The next phase took place during the first part of 2007 and consisted of a series of consultations with Member States and other concerned parties. The consultations were conducted as transparently and openly as possible. The process has been open for anyone expressing interest in participation.

The first round of consultations resulted in a preliminary proposals report presented in June 2007. The Member States and the UN Secretariat were invited to provide their comments and input to that document. After renewed consultations on the preliminary proposals, the final recommendations were refined and agreed upon by the 4NI Steering Committee.

This report summarizes the final conclusions from the previous phases, putting forward specific recommendations and proposals. It builds on the studies commissioned by the Initiative, on previous reports by the UN, but also and not least on repeated consultations with Member States, Secretariat and individual staff members.

The 4NI is most grateful for the input, comments and good ideas received by all actors consulted[3].

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[2] The reports are available at the 4NI website: www.the4ni.org. The conclusions and ideas provided in the reports are not the conclusions of the 4NI, but represent only the views of the respective authors.
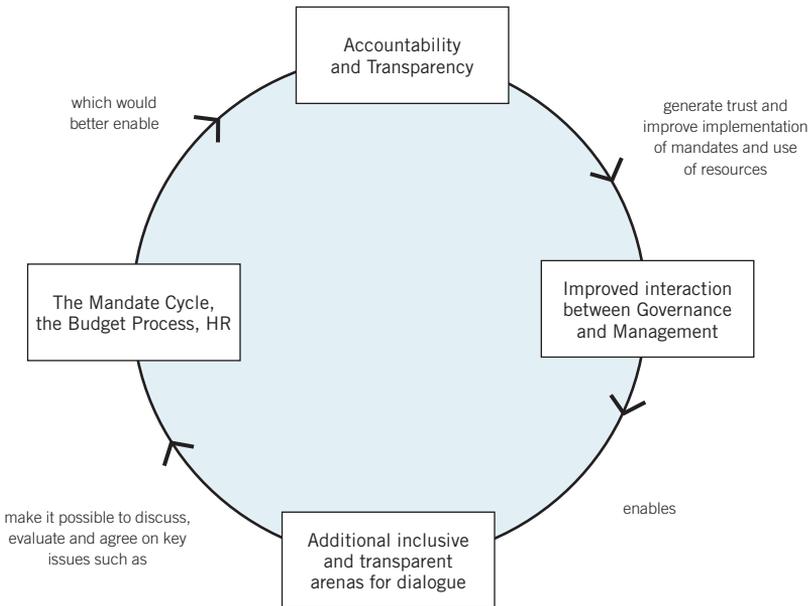
[3] In order to facilitate reading, the 4NI, in this text has not provided specific references to the origins of each proposal. The formulation of these proposals is ultimately the responsibility of the 4NI.

2   Main observations and key concepts

The three independent studies commissioned by the Four Nations Initiative together with consultations with Member States and the UN Secretariat resulted in a number of observations. These observations were clustered into five main areas, as described further in the 4NI discussion paper *In Search of a Compact*[4]:

• *Trust*, contributing to reaching agreement on reform;
• *Governance* and *Management*, respect for the fundamental division of responsibilities;
• *Accountability* and *Transparency*, the necessary tools for building trust;
• *Mandate-generation Cycle, Budget Process* and *Human Resources*, the key substantive areas for setting priorities;
• *Dialogue* and *Arenas*, the major interfaces between Governance and Management.

The figure below illustrates in simple terms how these observations are connected in the UN context:

Accountability and Transparency

which would better enable

generate trust and improve implementation of mandates and use of resources

The Mandate Cycle, the Budget Process, HR

Improved interaction between Governance and Management

make it possible to discuss, evaluate and agree on key issues such as

enables

Additional inclusive and transparent arenas for dialogue

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[4] In Search of a Compact: building trust for improved governance and management, available on the 4NI website: www.the4ni.org.

Starting from the top box, if accountability and transparency can be enhanced, this will improve the work of the Organization in the implementation of mandates and the use of resources. Improved accountability would also contribute to generating trust and improving the interaction between Member States and between the Secretariat and Member States. With better adherence to and respect for the different roles of Member States and the Secretariat respectively, it may become possible to improve dialogue between the two. There seems to be an increasing demand for inclusive and transparent discussions on the complex issues facing the Organization. Discussion on overall priorities and key issues related to the budget process, the mandate-generation cycle and human resources might thus be facilitated.

The conclusions from studies and consultations are clear: increased accountability and transparency are fundamental for further progress on the reform agenda.

2.1   Trust

The issue of trust concerns both the relation between Member States and that between Member States and the Secretariat. Lack of trust is not a new phenomenon; it has been a fact of UN life since the beginning. Some would even say it is unavoidable in an international organization where Member States have different agendas and programmes. Unclear accountability and less than satisfactory implementation of mandates might lead to low levels of trust or confidence and subsequently to high demands on detailed information from management to governors. Some degree of trust – though not necessarily complete agreement – is needed to succeed with further improvements. Reform is, by definition, an ongoing process and a change towards something new, partly unknown, though it should also build on earlier reforms. Trust facilitates progress.

The levels of trust have indeed improved since the lifting of the spending cap in mid-2006, as a result of increased dialogue between Member States and the acceptance that every state has the right to participate in decision-making. However, improvements could be made, not least in the relationship between Member States and Secretariat. Many Member States still request assurances that the Secretariat is acting in a neutral manner and fully implementing legislative mandates.

The 4NI believes that a higher degree of trust is one of the *prerequisites* for agreements on further change, but that it should also be a *consequence* of the changes. Trust is both a goal in itself and a basis for the continued progress of the UN reform efforts.

2.2   Governance and Management

A second point of departure for the 4NI is the need for greater respect for and better understanding of roles and responsibilities that the UN Charter defines for Member States and the Secretariat, or expressed differently; of *governance* and *management*.

The distinction between governance and management is fundamental in many ways. There is no formally agreed definition of governance used by the UN. For the purposes of this report, governance is described as "the action or manner of steering or directing". In the UN context, governance is the exercise of political authority by the Member States. Managers, on the other hand, are the ones who implement the decisions taken by the governors at the helm.

Expressed in more concrete terms: Member States should, in principle, set priorities, provide clear guidance, allocate resources commensurate to the mandates and evaluate and follow-up the activities of those they govern (i.e. the Secretariat). They are the owners of the Organization. The Secretariat – management – should implement the given tasks within the framework set by the Member States. Both governors and managers have rights, duties and responsibilities. This broad outline as set out in the UN Charter, in General Assembly resolutions and in the rules and regulations seems clear, but the broad framework is not always respected in practice. It cannot be made crystal clear, but at least efforts could be made to move in the direction of increased clarity and greater respect for the roles and responsibilities of Member States and the Secretariat. This does not mean that the 4NI intends to reopen contentious issues on which the Member States have already pronounced, and it is again reiterated that the equal right of every Member State to participate in decision-making on budgetary and administrative matters must be respected.

What, then, would be the value of clarifying and respecting this distinction? A better understanding of and respect for each other's roles and responsibilities would lead to increased accountability. Accountability depends on someone being fully and clearly responsible for the work of the organization. If there is ambiguity and confusion on who should play what role accountability is decreased.

2.3   Accountability and Transparency

Improved accountability has been an important objective for the Member States for a long time. Following the adoption of General Assembly resolutions 60/260 and 61/245, the Secretary-General is currently preparing a report on his "measures to strengthen accountability in the UN" and the Organization's "accountability framework". The 4NI does not seek to question the value of that internal framework but wishes to contribute to the discussion and do so with a Member States perspective.

Transparency is crucial for accountability. The building of a culture of accountability is complex; there are no short cuts. It ranges from organizational identity, to clear procedures, to allocation of adequate resources and to rewards and sanctions. Account-

ability has to permeate the whole organization. It has both a political and a practical dimension, relating to governors and management respectively.

Member States are accountable to the wider world as to the efficiency of the institution – governance and overall political accountability. Member States also have the responsibility to provide the Secretariat with adequate resources to achieve the expected results. The Secretariat is accountable to the Member States for the resources it has been given and for implementation of legislative mandates, programmes and activities – managerial accountability. Within the Secretariat, the staff is accountable to the senior management and vice-versa. Accountability is about *how* decisions are implemented, how resources are used, how effectively the Organization reports back to Member States, and how the Secretariat is held responsible for what it has achieved or not achieved.

One fundamental dimension of accountability is functioning checks and balances. Within nations this is done in many different, often elaborate ways, and at times subject to heated political debates. In a complex and universal body such as the UN, the checks and balances between different actors and different levels of the system are even more important.

Transparency stands on two pillars; openness and predictability. It is needed in procedures to select staff, in budget mechanisms and regulations, in the type and design of reports and in evaluation and feedback.

It should be noted that accountability and transparency are common public goods; systems are available for all and utilization by one does not reduce the value for others.

Without transparency, accountability falls by the wayside. Thus, it has to do with structures and with systems – but also with *culture*. If a culture of impunity prevails, even the best systems and procedures will not be respected. Equally important is to create a culture which demands and rewards achievements.

2.4   Priority setting: Mandates, Budgets and Human Resources

Ultimately decisions on priorities, on resources and on actions are at the heart of the UN, and they are central to the relations between Member States and the Secretariat. The UN agenda is unique in its breadth of areas and number of priorities, with the resulting effects on the complexity and quantity of decisions. This augments the need for robust, respected and transparent decision-making. Three of the main processes for priority setting are the *mandate-generation cycle*[5], the *planning*, *budgetary* and *evaluation processes* and decisions on *human resources*.

The focus of the 4NI is on making these processes more transparent with a higher degree of accountability by the Secretariat.

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[5] The 4NI uses here the terminology of the Secretary-General: the cycle through which "mandates are adopted, funded and implemented and then considered for continuation, change or elimination", A/60/733, Mandating and delivering, Report by the Secretary-General, 30 March 2006.

2.5   Dialogue and Arenas

The issues that the UN is expected to tackle are much more complex today than 50 years ago. They require more extensive consultations and discussions between Member States on overall priorities and on the key challenges in order to respond effectively. The use of inclusive and transparent dialogue would be beneficial for discussions on the increasingly complex issues such as conflict management, trade liberalization, poverty eradication, agricultural subsidies, climate change and global warming. Member States might need to increase dialogue on overarching priorities and challenges, such as how to make the link between security and development. Member States might also need to increase and improve dialogue with the Secretariat. The dialogue and arenas can be more or less informal in nature but they have to be transparent and open to all[6]. The 4NI emphasizes its respect for the existing and established forums for negotiations between Member States. Additional avenues for dialogue should be explored but should not replace existing forums for negotiations.

Dialogue and arenas are not only about *structures* but also about *systems* and *culture*, i.e. about *relations* between Member States, and between Member States and the Secretariat. The key issues here are how priorities are set, how information is shared and the accuracy of information, and how confidence is built.

Today, the existing formal arenas are often complemented by informal meeting places. In practice, many informal meetings are often exclusive, not accessible to all Member States. It is Member States with limited resources (or those not represented by any negotiating or regional groups) that lose most when formal meetings are superseded by informal and intransparent ones. While it can be useful (and sometimes necessary) to share views on some issues in other settings, it is vital, in order to avoid misunderstandings and suspicion, that negotiations are held and decisions are only taken in a transparent manner within the appropriate formal and established fora. A structure where important decisions are made in informal and non-representative settings is not truly universal and may eventually harm the credibility of the UN.

Many formal and informal arenas already exist but despite the multitude of meetings and the time spent in negotiations of different kinds, many delegates express a wish for more open interaction to complement – but not replace – the existing decision-making structures. It would be helpful to explore additional dialogue opportunities for inclusive, preliminary discussions on substantive issues at an early stage of the decision-making process, prior to adoption of positions. The objective is to contribute to complementary consultations or contacts that are more *transparent*, *inclusive* and *timely*.

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[6] An example of formal arenas could be the General Assembly Main Committees' sessions, i.e. "formal", "informal" and "informal informal" consultations. Informal arenas are for example workshops, briefings, or retreats organized by the Secretariat, external academies or foundations.

3 Recommendations to improve accountability and transparency

This chapter sets out the main part of the 4NI proposals. With the aim of improving trust and governance/management, these substantive recommendations focus on improved accountability and transparency within the interlinked areas of mandates, budget and human resources. Proposals on dialogue and arenas follow in a subsequent chapter. Some of the proposals set out below are primarily the responsibility of the owners of the Organization – the Member States. Some should be carried out by the Secretariat, and others seek to improve dialogue between the two.

One of the most important tools to improve accountability and transparency is strengthened *Results-Based Management* (RBM) in all central decision-making processes.

Box 3: Results-Based Management

The JIU describes RBM as a "broad management strategy with achieving results as the central orientation"[7]. RBM means that management should be focused on results and performance rather than on inputs and outputs.

RBM requires:

- clearly formulated long-term objectives with a focus on impact/outcomes rather than on inputs/outputs;
- clearly defined responsibilities;
- programmes and resources aligned with the objectives;
- effective performance monitoring systems;
- effective use of evaluation findings for proper organizational learning.

The General Assembly has requested a further study on RBM in resolution 61/245, the conclusions of which are expected during summer 2007. The General Assembly has, however, already endorsed in resolution 55/231 one part of the RBM; Results-Based Budgeting (see also box 5).

Many of the UN specialized agencies, funds and programmes, notably WHO, IFAD, UNICEF and UNDP, are implementing RBM today.

RBM is a tool and method for accountability and transparency, and also for improved monitoring and evaluation systems. Many of the proposals in this chapter are therefore connected to this concept[8]. It should be noted that RBM must be adapted to the complex environment and circumstances of the UN. Full implementation of RBM will and must take time. It will also require training and a concerted effort by staff.

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[7] JIU in a presentation on "RBM in the UN system", 4–5 October 2004.
[8] The 4NI takes note of other work done within this area, for example the on-going RBM study by the Secretariat following a Member State request in A/RES/61/245 or in reports by the JIU (JIU/REP/2006/6).

3.1 Proposals on the mandate cycle[9]

The Secretary-General discussed the mandate-generation cycle and the need to re-examine it in his report *Mandating and Delivering*[10]. One of his main observations was that Member States must become better custodians of their mandates[11]. Member States have called for greater accountability from the Secretariat to ensure a full and effective implementation of mandates. The Secretariat is faced with the challenge of implementing a large quantity of mandates/decisions. Efforts to establish simple standard procedures and overviews should be given priority – though not at the expense of inclusiveness and transparency. Mandates are reviewed every two years in the preparations for the proposed Strategic Framework and the programme performance report. However, the current programme performance report does not fully provide Member States with information on the efficiency of the mandates, status of implementation, corrective action taken during the course of the biennium or on how the mandates have contributed to the overall priorities of the UN. Several General Assembly resolutions request that proper evaluation and self-evaluation systems be developed[12]. The quality of reports has also been questioned. Lack of transparency and proper reporting structures might lead to an overlapping architecture (between and within organizations) for implementing mandates. These challenges were all brought up during the 4NI consultations.

When considering the mandate cycle, it should be borne in mind that the RBB methodology is designed to measure the activities of programme managers and the progress made by the Secretariat towards meeting an objective set for the Organization. It does not measure the steps taken by Member States. The proposals below maintain this distinction.

3.1.1 The mandate-generation cycle

One of the background studies initiated by the 4NI provided a way to categorize different types of mandates[13]. It divided mandates in three different groups based on what *type of direction* the General Assembly gives to the Secretariat: *output*-based mandates, *outcome*-based mandates and *impact*-based mandates.

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[9] The 4NI focuses only on the outcome-based mandates given to the Secretariat by the General Assembly.
[10] A/60/733, *Mandating and delivering: analysis* and *recommendations to facilitate the review of mandates*, Report of the Secretary-General, 30 March 2006.
[11] For the purposes of this report, the 4NI uses the terminology set out in the Mandating and delivering report: "A mandate is request of a direction for action by the UN Secretariat or other implementing entity that derives from a resolution in the General Assembly or one of the other relevant organs."
[12] See for example A/RES/60/260, A/RES/60/257
[13] *In Search of Common Ground: Mandates and Roles in the UN*, Göransson and Mattsson, 2006, available on the 4NI website: www.the4ni.org. The reader is reminded that the 4NI Steering Committee has not endorsed the contents of these reports and the conclusions are the responsibilities of the respective authors.

For *output*-based mandates, which are quite simple in nature (for example requests for a report), the report concluded that the current system is probably appropriate: it is sufficiently transparent and the roles of Member States and the Secretariat are rather well defined.

However, with *outcome*- and *impact*-based mandates the situation is different. It is commonly agreed that the ultimate assessment of the success of the work of the UN should be based on the *impact* of the results, i.e. on the *effects* on the issue addressed. These mandates are much more complex and often require a dialogue between Member States and the Secretariat throughout the mandate cycle; in the formulation phase, during implementation by the Secretariat and during follow-up and analysis. Many outcome-based mandates should have continuous monitoring, reporting and feedback to Member States in order to adjust the guidelines and priorities given in the initial mandates. The outcome-based mandates reflect the longer-term objectives of the Organization (see box 4).

The results-based approach has been suggested as especially useful in the management of complex mandates. The current system might be improved in this regard.

Box 4: Output – Outcome – Impact

Outputs are the immediate result of an activity that has taken place with the help of an input. Many output-based mandates are requests for products to be delivered back to all Member States (e.g. reports, conferences). A mandate is completed when the product has been delivered, more or less regardless of the quality or the impact of the product.

The *outcome* is the medium-term changes that can be expected as a result of delivering the outputs. There is less immediate or direct control over outcomes because they are at least one step away from the activity and the output.

The *impact* is the "big picture"; the long term objective of the activities, normally something that the Secretariat cannot bring about alone. Impact is related to the objective of the mandate.

Example of the relationship and the different nature of output, outcome and impact in a specific sector:

Impact	Long-term effects	Literacy rates improved
↑	↑	↑
Outcome	Short-term and medium-term effects	Quality of school instruction improved
↑	↑	↑
Output	Products and services	Training for teachers to improve skills

In the sections below, the 4NI outlines a *system of mandate management* to cope with, primarily, the outcome-based mandates. It should apply to all three phases in the mandate cycle: formulation, implementation, and evaluation/reporting.

The proposed mandate management system would mainly apply to outcome-based mandates. Since outcome-based mandates often have long-term consequences and (in reality) set the priorities for the Organization, they need careful consideration. However, the 4NI is not suggesting that the implementation of other mandates should be delayed or receive less attention from the Secretariat.

3.1.2 Formulation phase

The formulation phase is usually the start of a mandate cycle. Obviously, it is vital for Member States to have a clear picture of the "problem" they want to address with the mandate, the resources required, the consequences implied and what they expect to be the end result. For increased transparency and fewer overlaps in the work of the Secretariat, it would be valuable for the Member States to receive detailed, updated and correct information during the formulation phase of the full context of a new (proposed) mandate. Information on results and outcomes from previous mandates in the same area is valuable for Member States to enable them to make informed decisions and to increase organizational learning.

It would also be helpful if the formulation of a mandate is made as specific as possible, including baseline data, so that the Secretariat fully understands targets and objectives and thus what is expected of it (which is not always the case today). The need for consensus means that resolutions are sometimes vague, making the scope of possible interpretations wide and the measuring of outcomes challenging. Although such a "creative ambiguity" has many advantages, it also diminishes the possibility for Member States to hold the Secretariat accountable and responsible for the implementation of mandates. Therefore, Member States should strive as far as possible to improve the resolutions in order to express the objectives and intentions more clearly.

Secretariat officials sometimes are present during negotiations and should, as a result, be aware of the context of the discussions leading to the adoption of a resolution. Some mandates are based on proposals originating from the Secretariat. In the event that uncertainties remain as to what may be expected of the Secretariat, clarifications should ideally be requested prior to the adoption of mandates, in order to allow for further dialogue with Member States if needed. Clear objectives and targets are prerequisites for proper evaluation of the implementation of mandates. While consensus is important, it should be kept in mind that more ambiguity creates less accountability.

1. *We propose that Member States consider, to the extent possible, drafting mandates more clearly, in order to facilitate preparation of the relevant RBB frameworks and to increase the ability to hold the Secretariat accountable for implementation. Elements to be considered include:*
   - *timeframes for implementation and results,*
   - *expected outcomes and indicators to measure these,*
   - *monitoring systems,*
   - *criteria for determining when a mandate has been completed.*

2. *We propose that the Secretariat develop a management tool whereby after the adoption of a legislative mandate the Secretariat would ensure that responsibility for implementation is assigned and accountability mechanisms are put in place.*

In principle, while Member States should define the objectives of mandates – *what* to achieve – it should be up to the Secretariat to decide *how* to implement it. These are the roles of governors and managers respectively.

Member States need to provide the necessary resources for implementation. There is a widely held perception that mandates and the budget are running on different tracks and that there is a significant "mismatch" between the two. The 4NI does not see a mismatch in the sense of uncoordinated tracks. The present planning and budgeting system, including the PBI process function as a system. Nevertheless, on many occasions, new mandates are not accompanied by new resources but rather operate with "existing resources" as the source of financing. During the last two decades mandates, both renewed and new, have proliferated and the resources that would be required for their implementation have outpaced the financial capabilities of the UN. In that sense there is a "mismatch".

It is simple in theory, but not in practice, to state that the link between mandate and resources should be clear, so as to ensure accountability and expected outcomes from implementation. To arrive at realistic resource decisions might require hard negotiations, and sometimes tough stances on part of the Secretariat. The Secretariat should prepare budgets that accurately reflect the priorities of the Organization. Sweeping the problems under the carpet is only a temporary solution, the dust and dirt will surface during implementation and evaluation, adding to frustration and lack of confidence.

3. *We propose that the Secretariat prepare and submit budgets commensurate with the mandates approved by Member States. The General Assembly has not endorsed the principle of zero-nominal growth. However, it has been observed that the Secretariat in practice selectively applies zero-nominal growth programme budgets. The Member States are urged to pay the assessed contributions on time, in full and without conditions, bearing in mind that some Member States face economic difficulties beyond their control that affect their capacity to pay.*

3.1.3 Implementation phase

Outcome-based mandates deal with more complex realities. There is often a need for more systematic and continuous contacts between Member States and the Secretariat during implementation – setting sub-targets, handling unexpected changes, etc. Therefore we emphasize the need for specific monitoring mechanisms. The broader and more outcome-based the mandate, the more complex the issue, the greater is the need for systematic monitoring – not at the output level, but based on the outcome indicators specified in the mandate.

If, for any reason, a mandate cannot be implemented, the Member States should be informed about this, including the reason for any difficulties being experienced and corrective measures being proposed. This information should be conveyed as soon as the programme managers realize that they may not be able to implement a mandate.

3.1.4 Evaluation and reporting phase

It is sometimes difficult for Member States to estimate whether and to what degree the expected outcome has been achieved. Member States claim that they do not always know afterwards what has happened with a mandate – or what the impact was. This is a question of transparency during the mandate implementation process but also, and perhaps more importantly, of accountability of the Secretariat to Member States. Good evaluations based on adequate information on achievements, results and challenges, are crucial in this regard.

Transparency requires not only reporting on individual mandates but also reporting at an aggregate (overall) level. With individual mandate reporting, Member States will know if the Secretariat is doing things right. Aggregated reporting will also show if the Secretariat is doing the right things.

4. *We propose the introduction of guidelines in the Secretariat for reporting on mandate implementation in order to ensure proper feedback, both at individual mandate and aggregate level, in particular through the programme performance report. The guidelines should provide information on the details of appropriate timing and frequency of reporting for different types of mandates. The information contained in the guidelines should be linked with the performance appraisal of relevant officials.*

5. *We propose that procedures for thematic progress and implementation reports be reviewed in order to ensure that all new mandates are properly followed-up within their context. Such implementation reports should be linked to the expected outcomes and results as stated in the Strategic Framework.*

6. *We propose that the evaluation and feedback process in the Secretariat be strengthened so that the knowledge of previous failure and success will be used in the preparation of new mandates for improvement and accountability. This includes improvement of the quality of reporting and introduction of a system to ensure integration of results into the accountability framework. To this end the necessary resources for proper evaluation and self-evaluation should be included in the budget and Member States should ensure that the Secretariat is provided with sufficient resources to carry out this crucial task.*

Outcome-based mandates are complex, almost by definition, and are often of a long-term nature. As already discussed, this requires continuous monitoring and follow-up by Member States; mandates may need to be adjusted due to changes in external circumstances or changed priorities. A continuous monitoring process requires good arenas for dialogue between Member States and the Secretariat throughout the implementation phase, based on regular progress reports from the Secretariat. In chapter 4 we present some proposals on how to strengthen the arenas for dialogue between Member States and Secretariat that may also be applicable to discussions of unclear mandates.

3.2   Proposals on the planning and budgetary process

The planning anwd budgetary process – or the PPBME cycle[14] – is one of the most important processes in the UN. All Member States are, and should be, entitled to participate in the governance of the UN budgetary and administrative matters; the Charter allows them all to have a say in the process. There are, however, areas for improvement to meet accountability and transparency requirements. While consensus decision-making is important, it sometimes makes the negotiations complicated and overly time-consuming.

The 4NI acknowledges the central role of the Fifth Committee in matters of budget and administration in the UN. The 4NI believes the current structure, membership and authority of the Fifth Committee are appropriate; it should mirror the universality of the UN and provide an opportunity for all Member States to participate in the decision-making.

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[14] Planning, Programming, Budgeting, Monitoring and Evaluation cycle, see rules and regulations in ST/SGB/2000/8.

During 2006 problems were encountered that resulted in lack of confidence between Member States. Though the situation has improved since, many Member States have pointed to this as problematic, and have expressed a wish to continue to increase communication between groups in order to avoid, as far as possible, future misunderstandings. A positive working atmosphere is essential for the proper conduct of UN budget and financial affairs. While the need for initiatives to create a more positive, congenial and fruitful working environment should be addressed, this report focuses on accountability and transparency, and our concrete proposals are primarily related to these two concepts.

An important tool for the UN to increase transparency and accountability is *Results-Based Budgeting* (RBB) which is a central part of the Results-Based Management framework.

During our consultations several Member States have suggested that while the tools for RBB already exist, following a mandate from the General Assembly, further improvements must be made in formulation and application of the RBB framework and methodology.

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Box 5: Result-Based Budgeting

Results-Based Budgeting (RBB) means the linking of resources to results. The results-based budget documents are not focused on outputs and inputs, but on targets, objectives and expected achievements. Indicators for performance assessment are also included.

RBB is one part of the wider RBM framework; Results-Based Management as strategy in the specific area of planning and budgeting.

The results-based approach in the planning and budgetary process was proposed by the Secretary-General in the report *Renewing the United Nations: A programme for reform* (A/51/950). GA resolution 52/12 acknowledged the shift towards the use of performance indicators and a focus on results in UN programme budgeting.

In December 2000, the General Assembly adopted resolution 55/231, formally endorsing the recommendations by the Secretary-General, the ACABQ and the Fifth Committee to implement RBB within all sections of the Proposed Programme Budget.

Resolutions 57/290 and 59/296 also considered and mandated endorsement of RBB in the peacekeeping budget.

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The proposals below are organized to follow the phases of the budget cycle:
- before the budget process – *planning/outlining phase*,
- during the budget biennium – *implementation phase*,
- closing the budget cycle, transition to a new biennium – *monitoring/evaluation phase*.

3.2.1 Planning/outlining phase

At the early stages of a budget process, the need for strengthened RBB is seen as particularly important.

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Box 6: The Strategic Framework and the Proposed Programme Budget

- The Strategic Framework, Part I (Plan Outline) contains the longer-term objectives of the Organization.
- The Strategic Framework, Part II (Biennial Programme Plan – BPP) contains the programme information (objectives, indicators of achievements, and expected accomplishments) that forms a basis for the resource requirements set out in the Proposed Programme Budget (PPB).
- The General Assembly has approved several changes to the format of the PPB and has also agreed, on an experimental basis, to shorten the period being covered in the Strategic Framework from four to two years.

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For the continued development towards RBB in the UN, the budget documents should be further improved in accordance with the guidelines for RBB, the PPBME and relevant General Assembly resolutions.

7. *We propose that objectives, indicators of achievements and expected outcomes should be more clearly defined in order to enable accurate measurement of performance. Adequate tools must be available for the Secretariat to assess performance and outcomes and report thereon to Member States. The link between the Strategic Framework (or Medium Term Plan), the budget outline and the Proposed Programme Budget – as well as the link between the past performance and future allocations – should be strengthened. The programme budget document should more clearly show the link between programme information and the resources required for effective programme implementation.*

One reason that implementation of RBB has been perceived as inadequate is that Member States and UN staff and management have not been sufficiently informed about the concepts, the techniques and the definitions of RBB (and RBM). Programme managers are not adequately trained and not actively involved in preparing and implementing the RBB logical frameworks. There is no link between the RBB logical frameworks and the performance appraisal system. Self-evaluation and uniform evaluation are either lacking or have not been adequately developed in the Secretariat. Although some Member States have implemented RBB in their national systems, this does not mean that all Member States representatives are equally familiar with the concepts, or with the use of these tools in the unique UN work processes. RBB in the UN is seen by many as complex and difficult.

Box 7: RBB in the Proposed Programme Budget

The Proposed Programme Budget for the biennium 2006-2007 (A/60/6) is an example of the implementation of RBB. The Proposed Programme Budget entails information on:

• objectives for the biennium, expected accomplishments, targets, achievement indicators and performance measures;

• external factors;

• planned outputs;

• resource requirements with regular budget and extra budgetary resources specified (see example below).

In accordance with General Assembly resolution 58/269, the programmatic information contained in the Proposed Programme Budget document has to be identical to that contained in the Biennial Programme Plan (which is adopted before the preparation of the PPB).

Resource requirements by component

| | Resources (thousands of United States dollars) | | Posts | |
Component	2004–2005	2006–2007 (before recosting)	2004–2005	2006–2007
Regular budget				
1. Operational services	16 798.1	16 928.9	77	77
2. Organizational development services	34 517.6	34 957.6	68	68
3. Medical services	4 368.6	4 006.9	15	15
Subtotal	**55 684.3**	**55 893.4**	**160**	**160**
Extrabudgetary	9 440.2	11 269.7	34	36
Total	**65 124.5**	**67 163.1**	**194**	**196**

(Example of Resource Requirements table from PPB 2006-2007: A/60/6: Section 28C)

Training and informing Member States representatives, particularly those attending the Fifth Committee, must be a continuous process, not least considering the frequent changes of Member States representatives, and the ongoing reform efforts that will continue to change and develop the Organization. Training can be provided in many different forms and through different means, such as workshops and retreats, written handbooks and guidelines, or electronic reference materials (CD-ROMs, websites) to facilitate the work of the staff and delegates concerned.

8. *We propose that more/improved workshops and training events and materials on RBM/ RBB within the UN be offered to the programme managers in the Secretariat on the one hand, and to the Member States – especially representatives to the General Assembly's Fifth Committee – on the other. A handbook with guidelines for RBB, as a part of RBM within the UN, should be developed to support the shift in focus to outcome-driven programming, in order to promote a common understanding of these processes.*

9. *We propose that a review of the implementation of RBB in the Secretariat until today be conducted. The review should provide information on the progress of implementation; what the successes and failures have been; and the expected challenges for the continued process.*

When considering the negotiation process on budgetary matters, it is necessary to reflect on the complexity of the planning and budgetary process and on the benefits of inclusiveness that are embedded in the consensus principle. However, there are still some possibilities for improving transparent and inclusive dialogue on budgetary matters between Member States, as well as between the Secretariat and Member States.

There are too few opportunities for exchange of views – open to all – between Fifth Committee sessions and *before* formal negotiations take place[15]. Transparent discussions and the equal spread of information may facilitate a better-informed decision-making process. Transparency would increase, as would communication. This might also facilitate subsequent formal decision-making in the Fifth Committee and discussions in other formal fora such as the CPC.

10. *We propose that Member States consider arranging informal and inclusive workshops or retreats especially at an early stage of the decision-making process – for example, when the Fifth Committee and CPC are not in session – in order to provide possibilities for exchanging views and reaching a common understanding of central concepts that may facilitate the formal meetings.*

11. *We propose that the Secretariat be requested to arrange more frequently informal and inclusive Question and Answer sessions and workshops early in the planning and budgetary process so that Member States representatives may pose questions and receive clarifications before official positions are taken in the formal procedures. This would increase transparency and improve the information flow – everyone would have the possibility of accessing the same information at the same time.*

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[15] A workshop arranged in October 2006 by the chair of the G77 was much praised as a good example of such an informal and inclusive arena giving Member States the opportunity to become better informed.

3.2.2 Implementation phase

During the 4NI consultations, many Member States expressed a need for increased transparency and better information flows from the Secretariat to the Member States during the biennium. Such information is also needed as background and input into the next budget biennium in a timely manner as well as for improving accountability.

12. *We propose that the Secretariat be asked to provide quarterly informal briefings on budget implementation to the Fifth Committee, adjusted to the work programme of that Committee. On these occasions the Secretariat should provide information on the achievement of results as measured against the targets and indicators approved by the Member States in the Biennial Programme Plan (or Medium Term Plan).*

Box 8: The planning and bugetary cycle

- The planning and budgetary cycle for the regular budget is two year long.
- Financial performance reports on budget implementation are provided once a year.
- Programme performance reports are provided every two years.

In order to strengthen the results-based approach, the programme performance reports should focus (even more) on results and achievements. Timely submission of the financial performance and programme performance reports has been stressed as a means to enable Member States to consider the information more carefully and improve their discussions on the results achieved (or reasons for lack of achievement) with programme managers. Quality of reporting has been emphasized as important by most participants during consultations. During the 4NI consultations, some Member States underlined the difficulties of handling the large amounts of information and reports while other spoke of the need to receive enough and good information to make decisions. The *amount* of information is important, but there is also the question of *what* information is needed, as well as the risk of a blurred overview of the total picture. This underscores the need for a careful balance between enough and too much information in such a complex setting as the United Nations. The different information needs and requests of Member States should be taken into account in achieving this balance.

13. *We propose that, as with the budget documents, the programme performance reports focus on the achievement of targets and on results.*

14. *We propose that the Members States be given improved strategic guidance in the budget process, for example by improving the quality of the programme performance reports as well as by instituting effective self-evaluation by programme managers, establishing an effective and uniform evaluation system in the Secretariat and improving reporting on evaluation findings to Member States. Frequent validations by the OIOS of the self-evaluation findings of programme managers are also needed.*

15. We propose that the format of the financial performance reports be improved in order to facilitate overview on the effectiveness of budget implementation. The report should, for example, include information on the adequacy of the resources provided and where relevant, information on budgetary problems as well as proposed solutions.

3.2.3 Monitoring/evaluation phase

The transition from one planning and budget cycle to another is an opportunity for improvements, for organizational learning and for the exercise of accountability. Evaluation and feedback are crucial in this regard.

In the present system Member States do not always receive proper feedback in time and with the data needed to be able to use the information from previous mistakes and achievements to improve the next cycle. It has also been noted by Member States and other actors that the resources for evaluation are inadequate and that evaluations are not prioritized or of the desired quality. The effective use of evaluation findings has been pointed out as the weakest link in the PPBME cycle[16].

16. We propose that the Member States acknowledge the importance of correct, useful and timely evaluations, and that the Member States therefore decide to provide the resources needed for evaluation and feedback mechanisms. The Secretariat should provide appropriate proposals for evaluation and self-evaluation as called for by the General Assembly.

3.2.4 Extra-budgetary resources: trust funds

Our proposals above relate to the *regular budget* procedure, which should be the backbone of the Organization's financing and an effective, predictable and stable source of income. However, this is not the case in practice. The flow of funds from assessed contributions has been unreliable. Late payments and the practice of withholding dues has been a chronic problem for decades. Although the so called zero-nominal growth policy has never been endorsed by the General Assembly, the Secretariat implements it due to pressure from some Member States. In order for the Secretariat to have a healthy financial situation required for a successful budget implementation, we encourage Member States, as mentioned in proposal 3 above, to pay their dues in full, on time and without conditions.

Various departments and organs of the UN Secretariat are increasingly relying on *extra-budgetary resources*. In the biennium 2006–2007, extra-budgetary funding for the Secretariat reached USD 5.6 billion (to be compared to the USD 3.8 billion of assessed funding provided for in the regular budget)[17]. More than half of these resources finances 'operational activities', mostly at field level, such as direct assistance to Member States in the form of technical cooperation activities or humanitarian assistance.

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[16] JIU in a presentation on RBM in the UN system, 4–5 October 2004.
[17] *Power, Purse and Numbers: A Diagnostic Study of the UN Budget and Finance Process and Structure*, Sagasti, Casabonne, Prada, available at the 4NI website: www.the4ni.org.

Voluntary contributions are useful and even necessary supplements to the regular budget, not least those established for humanitarian assistance, human rights projects, development and environment issues. But trust funds also generate some problems:

- They add to the complexity of the planning and overall governance of the Organization.
- They have their own approval procedures, reporting requirements and accountability mechanisms that often reduce transparency and create an additional administrative level. They tend to be a less predictable and reliable source of funding than assessed contributions.
- Ear-marked voluntary funding further fragments the planning and budgetary process of the UN Secretariat, and is a main cause of overlap and duplication and also an impediment to integrated UN action.
- The fragmented structure of financing makes it difficult for Member States to set and change the priorities of the Organization and for the Secretary-General to plan for and revise activities in support of programmes. The funds create space or flexibility for management, but might be seen to distort priorities and legislative mandates.
- There is no RBB framework covering the management of the trust funds.
- Trust funds leverages capacity paid for by the regular budget.

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[18] Facts and figures from *Power, Purse and Numbers: A Diagnostic Study of the UN Budget and Finance Process and Structure*, Sagasti, Casabonne, Prada, available at the 4NI website: www.the4ni.org.

[19] Programme Support Accounts: From the Assistant Secretary for Financial Services, ST/AI/286, United Nations, 1982, *Establishment and Management of Trust Funds*, Doc. ST/SGB/188

[20] *Strengthening of the United Nations: an agenda for further change*, Report of the Secretary-General, 2002 (paragraphs 170–171)

It is a good first step that extra-budgetary resources are now included and visible in the PPB documents. However, the 4NI noticed that several Member States expect a higher degree of transparency in the management of trust funds. The Secretariat has also expressed a need for transparency and coherence in the management of trust funds. Increased transparency will improve the overview of the total budget and give Member States a better insight in the total priorities and spending in the Secretariat.

17. *We propose that, to enhance predictability, all core activities of the United Nations should be financed from the regular budget. Trust funds should primarily seek to complement regular budget funding for core activities and not replace the need for assessed contributions to finance core activities.*

18. *We propose that the rules for establishing and managing trust funds be revised and updated. The aims should be to increase transparency, to improve overview and to ensure the alignment of trust funds to the overall UN priorities while at the same time maintaining the flexibility that funds from various sources provide. As a basis for such a revision, we propose a review by the Board of Auditors, providing a baseline for evaluations of progress towards improving the management of trust funds.*

19. *We propose that the Secretariat reports regularly, for example in the context of the programme performance report, to the Member States on the status and rate of implementation of legislative mandates financed from trust funds.*

3.3　Proposals on human resources

Initially, the 4NI did not have human resources as a focus area. None of the studies commissioned focused on human resource development. However, during consultations the dimension of human resources came to the fore, continuously and persistently. The management of human resources is also central to the accountability and performance of the UN.

Box 10: UN Secretariat staff – some facts and figures

- The Secretariat has about 30,000 staff globally – 35 percent of whom work at the Headquarters.
- Almost 56 percent of the Secretariat staff works in the field
- There are more than 80,000 field staff in peacekeeping activities; covering both military and civilian personnel.
- About 9,000 staff in the Secretariat, worldwide, have short-term contracts (Assignment of Limited Duration, ALD).
- Women comprise 37 percent of all staff in the professional and higher categories.

Much is already being done in the area of human resources. The Secretary-General has picked mobility as one of the key concepts for change and reform, creating a discussion on the possibilities for improvement in this area. The General Assembly in December 2006 adopted resolution 61/244 setting a framework for the development and consideration of further human resources management reform measures. A new system of Administration of Justice at the UN is to be operational by 2009, as recently decided by the Member States[21]. The new Secretary-General has also encouraged a system of regular review of USG and ASG management compacts by the Management Performance Board. These are all examples of steps in the direction of increased transparency and accountability.

The 4NI seeks to contribute to further progress and has therefore decided to submit ideas and proposals on human resources, proposals that have surfaced during consultations, in interviews and in discussions.

3.3.1 Recruitment and appointments

Recruitment is the purview of the Secretariat, but regulations for it has been stipulated by the Member States in the UN Charter and several General Assembly resolutions. The recruitment system must follow the principles of the UN Charter and provisions of General Assembly resolutions, not only in theory but also in practice, and at all levels of the Organization.

The 4NI is much concerned with the insufficient transparency in the appointments of USGs, ASGs and SRSGs. For example, the top positions in the Secretariat have tended to go predominantly to citizens of some of the larger Member States. In order to establish a trusting relationship between management and Member States, transparency in recruitment and appointments – especially of senior management – is crucial. Lack of transparency contributes to lack of trust and to tensions in the relation between Member States and the Secretariat. The top managers must be appointed on the basis of merit and have the capacities needed for the management of the Organization.

There have been recent efforts to create more open and transparent procedures and to open for wider candidacies to senior Secretariat posts. However, there is still scope for improvements – and processes must be continuously reviewed to up-hold progress in the right direction.

20. We propose that ways of making formal and transparent assessments of candidates' qualifications – for example procedures using hearings – be developed to be used at the time of recruitment to the most senior positions (USG, ASG, SRSG). Hearings could for example be conducted by special expert panels. Such senior posts should not be monopolized by nationals of any state or group of states.

[21] A/RES/61/261.

The recruitment to less senior positions has also been criticized. Member States, staff and management all express disappointment with the current system for recruitment which does not seem to function as intended. The Member States have therefore decided to replace this recruitment system.

21. *We propose that in undertaking the assessment of the Galaxy system, particular consideration should be given to issues of transparency and accountability in the recruitment process. Recruitment should be merit-based in relation to the Terms of Reference for specific posts. The principles of the UN Charter and relevant General Assembly resolutions must be respected.*

Member States express frustration over the fact that the principle of recruitment of staff on "as wide a geographical basis as possible" is not sufficiently respected – nor is the gender-balance always adequately addressed. It has been emphasized that the Member States must be able to "recognize themselves in the Secretariat" – at all levels of the Organization. This is a matter of transparency and inclusiveness, but also of efficiency. The best way to ensure that the most competent and suitable candidates are recruited is to open up for applications by a large number of applicants. If the recruitment process de facto is narrowed down to a few Member States nationals, there is a great risk that other more competent candidates will be missed.

Box 12: Geographical distribution in the Secretariat

The formula for appropriate geographical distribution is based on the approximate number of posts in the professional and higher categories funded by the regular programme, excluding language posts and mission posts (the "base figure", currently 2,700).

The posts are allotted to the Member States by calculation of three weighted factors: 55 percent for *contribution* (in proportion to the latest scale of assessments for the regular budget), 40 percent for *membership*, and 5 percent for *population* (the proportion of each country's population relative to the global population).

These factors are added together to establish the midpoint of each State's "desirable range". The lower limit of this range is 15 percent below the mid-point with a minimum of 5 posts. The upper limit is 15 percent above the mid-point.

About 72 percent of the Member States are currently equitably represented (holding a number of posts within the desirable range).

Why is the geographical distribution perceived as insufficient in the Secretariat today? There are probably many factors at work here. Some are connected to the difficulties of the current recruitment system, others relate to the issue of availability of information regarding vacancies. It has been observed that vacancies are not always announced in a way that supports candidacies of nationals from certain disadvantaged regions. There must be pro-active recruitment from under-represented Member States and regions.

22. *We propose that a review of the weighted system be undertaken with a view to improving geographical distribution in the Secretariat as defined by the UN Charter and the relevant General Assembly resolutions, including at senior management levels.*

23. *We propose that the posts financed from extra-budgetary resources be subjected to the system of geographical distribution.*

24. *We propose that the Secretariat develop complementary ways of informing a wider public on vacancies in order to reach out to possible candidates from all geographical regions. Mechanisms such as professional associations can be used to identify qualified professionals from under-represented Member States.*

3.3.2 Performance assessment and accountability

At present the UN does not have sufficient mechanisms to reward good performance by staff – nor to sanction substandard performance. In order to hold staff and managers accountable, the objectives and expected outcomes against which they will be measured must be clear and transparent. When staff is contracted, their job descriptions should spell out expectations and responsibilities clearly. Without such clarity Member States and senior management will have difficulties in holding management and staff respectively accountable.

25. *We propose that the Secretariat reviews the way new staff are informed about job descriptions, expected achievements and responsibilities, to assess whether there is sufficient clarity for accountability.*

26. *We propose that the Secretariat, in the event that it deems the clarity and the information procedure insufficient, considers the creation of a "performance agreement" to be signed by staff when contracted.*

The 4NI supports proposals for transparent evaluations as well as the 360° feedback process to hold management accountable. The forthcoming Secretariat report on the internal control framework may be interesting in this regard. Performance appraisals are important and performance should be assessed according to objective criteria and measurable indicators. The 4NI also supports proposals to review and improve the current Performance Appraisal System in accordance with the principles of RBM[23]. These ongoing reform processes should be encouraged and assisted with the aim of enhancing performance and accountability.

3.3.3 Training

In order to perform well, staff needs proper training and opportunities of developing capacities and skills. To complement the performance agreements proposed above, new staff should be assured proper induction training. It is essential that they are well familiarized with the UN context at large.

The UN is a knowledge-based organization which must be continuously kept up to date to be able to cope with a constantly changing world. The importance of training has recently been reaffirmed by the General Assembly[24]. The Organization must invest in its staff – it has been noted that in the Secretariat only one percent of the budget is devoted to training, a very low share by any comparison. The resources for adequate training and information programmes must be made available. Training must also be combined with systems for follow-up.

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[22] ST/A1/1999/14.
[23] i.e. focus on performance and achieved results as measured against previously indicated goals and objectives.
[24] A/RES/61/244

Training and education is also offered to Member States representatives. However, several Member States express a wish to develop and improve these opportunities for training. The uniqueness and complexity of the UN, and especially the demanding tasks in the Fifth Committee are sometimes a heavy burden for Permanent Mission staff. Changes in Member States' representatives, and especially changes of Fifth Committee experts, pose a severe constraint on Member States' institutional memory. It takes a rather long time for a delegate to become familiar with the complex financing and budget rules and procedures and to be an effective participant in budget discussions and debates. This contrasts with the relatively long time that some UN staff members remain in their posts, and creates a certain degree of imbalance in expertise on budget and financial matters. A basic training programme to prepare the Permanent Missions' staff for their work has therefore been requested.

Consideration could also be given to whether some common workshops for Member States representatives and Secretariat staff could be arranged. Such joint training would constitute an arena for exchange of views between the Member States representatives and management staff at the same time as it would increase their understanding of each other's roles and tasks.

Training, information and workshops are particularly necessary for the continued transition to RBM, which is sometimes seen as a complicated tool – especially at this early stage of its implementation. The 4NI takes note of the work by the Programme Planning and Budget Division to instruct and give guidance to staff and managers on RBM issues. This is a good start and further work in this direction would be beneficial to the Organization. It is important to work towards a situation where programme managers accept greater responsibility for the development and implementation of the RBM framework. The 4NI also supports recently presented proposals to create a

training strategy for promoting RBM skills in the Secretariat. This recommendation should be carefully considered as a possible tool to make staff and managers (especially programme managers) aware of their roles and responsibilities and to enable them to make better use of the RBM methods.

Also governors need proper information on RBM. We have already suggested programmes for training of Permanent Mission staff, and especially for the Fifth Committee experts, to become familiar with the RBM method and to use it properly (see proposal 7). With a better knowledge of the definitions, objectives and methods of the RBM, the Member States as governors might be better equipped to hold management accountable and to request the transparency they need and are entitled to.

A common understanding of the RBM concepts – for both governors and managers – should be promoted.

27. *We propose that Member States increase resources in the regular budget for training of staff as well as for training of Member States delegates by the United Nations research and training entities.*

3.3.4 Vision for the long-term

The UN is a knowledge-based organization. The size and complexity of its operations have increased tremendously over the last decades both in terms of quantity and of quality. As a consequence the demands on UN personnel for appropriate skills and experiences from wide areas of knowledge have increased dramatically. Expanding peacekeeping operations in the field have challenged the management capacity of the UN as well a the system-wide coordinating mechanisms. Future global issues like climate change and energy call for new dimensions of the knowledgebase at the UN.

A lot of work is presently being done in the area of human resources. Resolution 61/244 covers many reform issues; for example recruitment and staffing, mobility, contractual arrangements, reform of field services, gender representation and other areas. Furthermore resolutions 61/261, 62/263 and 61/264 deal with aspects of human resources. Many of these issues will be dealt with in the forthcoming sessions of the General Assembly. The Secretary-General has stressed the importance of further improvements in the area of human resources and has i.a. pointed to issues such as mobility, contractual arrangements and accountability.

In our consultations the human resources issues have constantly been raised by almost all actors. A strong sense of the need for change has emerged.

The ongoing work in the UN with reform of the human resources management is very important and should be carried out with full force. It will certainly result in an improved human resources situation for the UN. Not withstanding this fact and looking ahead, we believe that the time has come to reflect on a long-term vision of a UN personnel policy for the 21st century .

Such a vision should look at what a future international civil service should encompass, taking into account all the demands and complexities of the UN in the 21st century. A vision should be informed by experience and good practice of other large knowledge-based organizations. At the same time it must be based on the UN Charter and the international character of the UN. It is important that the principles of transparency and accountability are maintained, as well as the proper division of responsibility between Member States and the Secretariat.

The formulation of such a vision should take into account the unique nature of the Organization and should not compete with ongoing efforts of reform in the field of human resources. It would be complementary, facilitating the long-term direction of efforts for improvement.

28. *We propose that ways and means be devised for the UN, as a knowledge-based organization, to develop long-term visions for human resource issues as a whole.*

4 Extended common ground: dialogue, arenas, peer reviews

The previous chapter primarily discussed the structures and procedures of the UN. However, there are also other dimensions to the work of this international and inter-governmental organization. What is less talked about is the culture and the more abstract dimensions of working atmosphere, common ground and meeting places. These are stepping stones to enter the corridors of diplomacy, but are sometimes difficult to address because of their sensitive and vague nature.

4.1 Dialogue and arenas – opportunities for inclusive consultations

During the consultations with concerned parties the 4NI repeatedly encountered a clearly stated need for maintaining and improving dialogue among Member States, complementing formal discussions and providing scope for open discussions and exchange of views across and between groups. The 4NI has been informed that many Member States experience too great a workload to prioritize communications with others than the own group. However, communication and dialogue between actors is crucial for the life of the Organization.

While it was stressed that issues should be dealt with, resolved and decided upon in established structures that are transparent and inclusive, more timely, regular and open dialogue contributes to transparency. These arenas for dialogue (retreats, seminars and workshops) – *the common ground* – should not compete with the existing and established structures, nor should they in any way replace the regional groups as arenas. The additional arenas must be open to all Member States, in the same way as the General Assembly has reaffirmed that all Member States have the right to participate in the established fora for decision-making on administrative and budgetary matters. This inclusiveness must not be compromised.

The informal and inclusive arenas already exist, to some degree. The appreciation expressed by Member States for the initiative by the G77 chair in 2006 in arranging an informal and inclusive workshop on concepts associated with Governance and Oversight has been mentioned. Proposals 9 and 10 of this report are also relevant in this regard.

29. This report and its recommendations clearly show that several tasks related to further improvements of the UN rest with initiatives to be taken by the Member States through mechanisms provided by the UN Charter. The 4NI recommends an increased use of inclusive and transparent briefings, workshops and discussions, where delegates can exchange views in a non-formal manner, particularly early in the decision-making process. These arenas should not replace established fora for negotiations and they must not be used for decision-making.

These arenas can be of use in discussing issues where positions have not yet hardened and in arriving at a common understanding of central concepts. The Member States could arrive at a better understanding of each other's views and agendas.

We also believe there is scope for strengthening the institution of the President of the General Assembly (PGA) to facilitate broader dialogue among Member States. In recent years Member States have used this institution for an increasing number of initiatives and for communicating with the Secretary-General and the Secretariat. The number of persons assisting the PGA has grown. At present we have identified two issues of importance regarding the functioning of this institution. One is that only four posts are included in the regular budget. All other posts have been subject to secondment or other short term and ad hoc arrangements, which makes it more difficult to build an effective institution. Some members may also have difficulties in presenting candidates for the Presidency given the costs involved.

The second problem refers to how decisions are made about resources. At present the four posts mentioned above are part of the regular budget of the Secretariat. The PGA is a separate function and should not, as a matter of principle, be mixed up with the needs of the Secretariat. The General Assembly should discuss and decide on these matters on their own merits.

30. We propose that the possibilities of strengthening the institution of the PGA should be explored in line with the budgetary process of the UN.

There is also a need for more informal dialogue between Member States and the Secretariat. Such arenas exist, but they have not always been open to all. Many Member States have perceived that they have not had enough opportunities to communicate with the Secretariat. The 4NI therefore welcomes the initiatives by the Secretary-General to consult widely with the Member States. Interaction and information flows between the Secretary-General and the General Assembly are important.

31. We encourage the Secretary-General, in accordance with Articles 97 and 100 of the UN Charter, to continue to conduct informal meetings and consultations with all groups of Member States. These consultations should be inclusive, transparent and carried out early in decision-making processes.

The benets of improving dialogue between Member States are illustrated for example by the events following the lifting of the spending cap in 2006. More and better dialogue then contributed to the adoption of several Secretariat and Management reform resolutions as well as to a signicantly improved overall negotiating atmosphere. With continuous efforts to improve inclusive dialogue we might arrive at a better cooperation climate within the UN, so that the Member States can have different views, different agendas and different standpoints – but still be able to trust each other enough to work together for the best possible solutions to complex global problems.

4.2　Peer review in UN organizations – a possible mechanism for increased transparency

During the consultations the 4NI also met requests from Member States and the Secretariat for improved or extended systems for quality control and performance measurement. Similarly, a need was voiced for interagency and interdepartmental exchange on best practices, on matters relevant to both Member States and the Secretariat.

The issues are relevant to the 4NI as they deal both with the efficiency of the Secretariat, and its relations with Member States. The 4NI would like to submit some thinking, including a recommendation, on this topic based on some international experiences.

The subject can be described by posing some provocative questions:

· How come new and highly efficient systems for quality control, Information Communication Technology, budget follow-up, management codes of conduct etc. in one UN entity are not immediately copied or adapted throughout the UN?
· How come, in reverse gear, that malpractices are not widely published or debated and future mistakes thus avoided?
· How come peer review mechanisms have not been widely introduced, despite the growing international usage and acceptance of this practice?

Thus, how can we utilize existing experience throughout the whole system of UN organizations as a method of learning through reflection and comparison, by learning from what others have done? And how can this be done in a transparent way?

The CEB as the centre of the UN's coordination structure provides an opportunity to introduce a system of peer reviews on issues discussed in this report. It would provide the respective organizations and their members with a mechanism for relevant information exchange and stimulation to pursue further reform efforts. The CEB secretariat could use international expertise in different fields to carry out specific studies.

32. *We propose that consideration be given to introducing systems of systematic exchange of best practice and of using peer review mechanisms, reflecting the unique and intergovernmental nature of the Organization. The results should be available in the public domain in order to laude excellence and to provide incentives in line with our emphasis on transparency.*

5   Towards a compact

The analysis in the previous chapters is the result of consultations between the 4NI and, primarily, other Member States. Even given broad agreement on the analysis, it may still be difficult to agree on concrete proposals for change. Many stakeholders will fear that they will lose out in a reform or change process. Ideally a process of change should produce win-win results. We believe that a transparent and inclusive reform process will visualize possible gains for all parties involved.

There are reasons to be optimistic. The atmosphere in the UN has improved, not least thanks to the progress made during the second half of 2006 and the first part of 2007 in some difficult areas. The analysis of the 4NI is that there are possibilities for genuine change, embraced by all.

What do Member States want from a Compact? Some want changed power relations, some want more value for money, some want more resources to match expanded mandates, while the majority probably wants improvements that make them better equipped to play their roles as owners of the system.

The compact as outlined above has the following key elements:
• A "culture of ownership", a joint search for common ground: Respect for established negotiating structures and considering more informal, transparent and inclusive arenas for consultations and dialogue.
• A joint understanding of the different but complementary roles of Governors and Management.
• Increased accountability and transparency in setting priorities on mandates and budgets, and in development and management of human resources – processes central to the relations between Governors and Management and to the functioning of the Secretariat.
• Improved overview and oversight; feedback and evaluation.

Reform is a never-ending story. All organizations, not least the UN, will always have a need for further, gradual improvements to adapt to the changing world. The 4NI suggests that reform processes could be incorporated to a greater degree in the normal work processes.

We think that a compact on reforms is possible and will lead to increased efficiency – based on more accountability and transparency.

Annex 1. List of proposals

The Mandate-generation cycle

Proposal 1 *(page 22)*

We propose that Member States consider, to the extent possible, drafting mandates more clearly, in order to facilitate preparation of the relevant RBB frameworks and to increase the ability to hold the Secretariat accountable for implementation. Elements to be considered include:

- timeframes for implementation and results,
- expected outcomes and indicators to measure these,
- monitoring systems,
- criteria for determining when a mandate has been completed.

Proposal 2 *(page 22)*

We propose that the Secretariat develop a management tool whereby after the adoption of a legislative mandate the Secretariat would ensure that responsibility for implementation is assigned and accountability mechanisms are put in place.

Proposal 3 *(page 22)*

We propose that the Secretariat prepare and submit budgets commensurate with the mandates approved by Member States. The General Assembly has not endorsed the principle of zero-nominal growth. However, it has been observed that the Secretariat in practice selectively applies zero-nominal growth programme budgets. The Member States are urged to pay the assessed contributions on time, in full and without conditions, bearing in mind that some Member States face economic difficulties beyond their control that affect their capacity to pay.

Proposal 4 *(page 23)*

We propose the introduction of guidelines in the Secretariat for reporting on mandate implementation in order to ensure proper feedback, both at individual mandate and aggregate level, in particular through the programme performance report. The guidelines should provide information on the details of appropriate timing and frequency of reporting for different types of mandates. The information contained in the guidelines should be linked with the performance appraisal of relevant officials.

Proposal 5 *(page 23)*

We propose that procedures for thematic progress and implementation reports be reviewed in order to ensure that all new mandates are properly followed-up within their context. Such implementation reports should be linked to the expected outcomes and results as stated in the Strategic Framework.

Proposal 6 (page 24)

We propose that the evaluation and feedback process in the Secretariat be strengthened so that the knowledge of previous failure and success will be used in the preparation of new mandates for improvement and accountability. This includes improvement of the quality of reporting and introduction of a system to ensure integration of results into the accountability framework. To this end the necessary resources for proper evaluation and self-evaluation should be included in the budget and Member States should ensure that the Secretariat is provided with sufficient resources to carry out this crucial task.

The planning and budgetary process

Proposal 7 (page 26)

We propose that objectives, indicators of achievements and expected outcomes should be more clearly defined in order to enable accurate measurement of performance. Adequate tools must be available for the Secretariat to assess performance and outcomes and report thereon to Member States. The link between the Strategic Framework (or Medium Term Plan), the budget outline and the Proposed Programme Budget – as well as the link between the past performance and future allocations – should be strengthened. The programme budget document should more clearly show the link between programme information and the resources required for effective programme implementation.

Proposal 8 (page 28)

We propose that more/improved workshops and training events and materials on RBM/RBB within the UN be offered to the programme managers in the Secretariat on the one hand, and to the Member States – especially representatives to the General Assembly's Fifth Committee – on the other. A handbook with guidelines for RBB, as a part of RBM within the UN, should be developed to support the shift in focus to outcome-driven programming, in order to promote a common understanding of these processes.

Proposal 9 (page 28)

We propose that a review of the implementation of RBB in the Secretariat until today be conducted. The review should provide information on the progress of implementation; what the successes and failures have been; and the expected challenges for the continued process.

Proposal 10 (page 28)

We propose that Member States consider arranging informal and inclusive workshops or retreats especially at an early stage of the decision-making process – for example, when the Fifth Committee and CPC are not in session – in order to provide possibilities for exchanging views and reaching a common understanding of central concepts that may facilitate the formal meetings.

Proposal 11 *(page 28)*

We propose that the Secretariat be requested to arrange more frequently informal and inclusive Question and Answer sessions and workshops early in the planning and budgetary process so that Member States representatives may pose questions and receive clarifications before official positions are taken in the formal procedures. This would increase transparency and improve the information flow – everyone would have the possibility of accessing the same information at the same time.

Proposal 12 *(page 29)*

We propose that the Secretariat be asked to provide quarterly informal briefings on budget implementation to the Fifth Committee, adjusted to the work programme of that Committee. On these occasions the Secretariat should provide information on the achievement of results as measured against the targets and indicators approved by the Member States in the Biennial Programme Plan (or Medium Term Plan).

Proposal 13 *(page 29)*

We propose that, as with the budget documents, the programme performance reports focus on the achievement of targets and on results.

Proposal 14 *(page 29)*

We propose that the Member States be given improved strategic guidance in the budget process, for example by improving the quality of the programme performance reports as well as by instituting effective self-evaluation by programme managers, establishing an effective and uniform evaluation system in the Secretariat and improving reporting on evaluation findings to Member States. Frequent validations by the OIOS of the self-evaluation findings of programme managers are also needed.

Proposal 15 *(page 30)*

We propose that the format of the financial performance reports be improved in order to facilitate overview on the effectiveness of budget implementation. The report should, for example, include information on the adequacy of the resources provided and where relevant, information on budgetary problems as well as proposed solutions.

Proposal 16 *(page 30)*

We propose that the Member States acknowledge the importance of correct, useful and timely evaluations, and that the Member States therefore decide to provide the resources needed for evaluation and feedback mechanisms. The Secretariat should provide appropriate proposals for evaluation and self-evaluation as called for by the General Assembly.

Proposal 17 *(page 32)*

We propose that, to enhance predictability, all core activities of the United Nations should be financed from the regular budget. Trust funds should primarily seek to complement regular budget funding for core activities and not replace the need for assessed contributions to finance core activities.

Proposal 18 *(page 32)*

We propose that the rules for establishing and managing trust funds be revised and updated. The aims should be to increase transparency, to improve overview and to ensure the alignment of trust funds to the overall UN priorities while at the same time maintaining the flexibility that funds from various sources provide. As a basis for such a revision, we propose a review by the Board of Auditors, providing a baseline for evaluations of progress towards improving the management of trust funds.

Proposal 19 *(page 32)*

We propose that the Secretariat reports regularly, for example in the context of the programme performance report, to the Member States on the status and rate of implementation of legislative mandates financed from trust funds.

Human resources

Proposal 20 *(page 33)*

We propose that ways of making formal and transparent assessments of candidates' qualifications – for example procedures using hearings – be developed to be used at the time of recruitment to the most senior positions (USG, ASG, SRSG). Hearings could for example be conducted by special expert panels. Such senior posts should not be monopolized by nationals of any state or group of states.

Proposal 21 *(page 34)*

We propose that in undertaking the assessment of the Galaxy system, particular consideration should be given to issues of transparency and accountability in the recruitment process. Recruitment should be merit-based in relation to the Terms of Reference for specific posts. The principles of the UN Charter and relevant General Assembly resolutions must be respected.

Proposal 22 *(page 35)*

We propose that a review of the weighted system be undertaken with a view to improving geographical distribution in the Secretariat as defined by the UN Charter and the relevant General Assembly resolutions, including at senior management levels.

Proposal 23 (page 35)

We propose that the posts financed from extra-budgetary resources be subjected to the system of geographical distribution.

Proposal 24 (page 35)

We propose that the Secretariat develop complementary ways of informing a wider public on vacancies in order to reach out to possible candidates from all geographical regions. Mechanisms such as professional associations can be used to identify qualified professionals from under-represented Member States.

Proposal 25 (page 35)

We propose that the Secretariat reviews the way new staff are informed about job descriptions, expected achievements and responsibilities, to assess whether there is sufficient clarity for accountability.

Proposal 26 (page 35)

We propose that the Secretariat, in the event that it deems the clarity and the information procedure insufficient, considers the creation of a "performance agreement" to be signed by staff when contracted.

Proposal 27 (page 38)

We propose that Member States increase resources in the regular budget for training of staff as well as for training of Member States delegates by the United Nations research and training entities.

Proposal 28 (page 39)

We propose that ways and means be devised for the UN, as a knowledge-based organization, to develop long-term visions for human resource issues as a whole.

Dialogue and Arenas

Proposal 29 (page 41)

This report and its recommendations clearly show that several tasks related to further improvements of the UN rest with initiatives to be taken by the Member States through mechanisms provided by the UN Charter. The 4NI recommends an increased use of inclusive and transparent briefings, workshops and discussions, where delegates can exchange views in a non-formal manner, particularly early in the decision-making process. These arenas should not replace established fora for negotiations and they must not be used for decision-making.

Proposal 30 *(page 41)*

We propose that the possibilities of strengthening the institution of the PGA should be explored in line with the budgetary process of the UN.

Proposal 31 *(page 41)*

We encourage the Secretary-General, in accordance with Articles 97 and 100 of the UN Charter, to continue to conduct informal meetings and consultations with all groups of Member States. These consultations should be inclusive, transparent and carried out early in decision-making processes.

Peer review

Proposal 32 *(page 43)*

We propose that consideration be given to introducing systems of systematic exchange of best practice and of using peer review mechanisms, reflecting the unique and inter-governmental nature of the Organization. The results should be available in the public domain in order to laude excellence and to provide incentives in line with our emphasis on transparency.

Annex 2. Proposals for Member States and Secretary-General respectively

Some of the recommendations are primarily the responsibility of the Member States while others address steps to be taken by the Secretary-General. Below we provide a list of proposals divided into those two categories. Some proposals may belong to both categories simultaneously – both Member States and Secretariat may have possibilities to initiate improvements in an area although from different perspectives. There is scope for different interpretations.

Proposals to the Member States:

Proposal 1:
We propose that Member States consider, to the extent possible, drafting mandates more clearly, in order to facilitate preparation of the relevant RBB frameworks and to increase the ability to hold the Secretariat accountable for implementation. Elements to be considered include:
- timeframes for implementation and results,
- expected outcomes and indicators to measure these,
- monitoring systems,
- criteria for determining when a mandate has been completed.

Proposal 3:
The Member States are urged to pay the assessed contributions on time, in full and without conditions, bearing in mind that some Member States face economic difficulties beyond their control that affect their capacity to pay.

Proposal 6:
The necessary resources for proper evaluation and self-evaluation should be included in the budget and Member States should ensure that the Secretariat is provided with sufficient resources to carry out these crucial tasks of feedback and evaluations.

Proposal 7:
We propose that objectives, indicators of achievements and expected outcomes should be more clearly defined in order to enable accurate measurement of performance. Adequate tools must be available for the Secretariat to assess performance and outcomes and report thereon to Member States. The link between the Strategic Framework (or Medium Term Plan), the budget outline and the Proposed Programme Budget – as

well as the link between the past performance and future allocations – should be strengthened. The programme budget document should more clearly show the link between programme information and the resources required for effective programme implementation.

Proposal 10:

We propose that Member States consider arranging informal and inclusive workshops or retreats especially at an early stage of the decision-making process – for example, when the Fifth Committee and CPC are not in session – in order to provide possibilities for exchanging views and reaching a common understanding of central concepts that may facilitate the formal meetings.

Proposal 11:

We propose that the Secretariat be requested to arrange more frequently informal and inclusive Question and Answer sessions and workshops early in the planning and budgetary process so that Member States representatives may pose questions and receive clarifications before official positions are taken in the formal procedures. This would increase transparency and improve the information flow – everyone would have the possibility of accessing the same information at the same time.

Proposal 12:

We propose that the Secretariat be asked to provide quarterly informal briefings on budget implementation to the Fifth Committee, adjusted to the work programme of that Committee. On these occasions the Secretariat should provide information on the achievement of results as measured against the targets and indicators approved by the Member States in the Biennial Programme Plan (or Medium Term Plan).

Proposal 16:

We propose that the Member States acknowledge the importance of correct, useful and timely evaluations, and that the Member States therefore decide to provide the resources needed for evaluation and feedback mechanisms.

Proposal 17:

We propose that, to enhance predictability, all core activities of the United Nations should be financed from the regular budget. Trust funds should primarily seek to complement regular budget funding for core activities and not replace the need for assessed contributions to finance core activities.

Proposal 27:

We propose that Member States increase resources in the regular budget for training of staff as well as for training of Member States delegates by the United Nations research and training entities.

Proposal 28:

We propose that ways and means be devised for the UN, as a knowledge-based organization, to develop long-term visions for human resource issues as a whole.

Proposal 29:

This report and its recommendations clearly shows that several tasks related to further improvements of the UN rest with initiatives to be taken by the Member States through mechanisms provided by the UN Charter. The 4NI recommends an increased use of inclusive and transparent briefings, workshops and discussions, where delegates can exchange views in a non-formal manner, particularly early in the decision-making process. These arenas should not replace established fora for negotiations and they must not be used for decision-making.

Proposal 30:

We propose that the possibilities of strengthening the institution of the PGA should be explored in line with the budgetary process of the UN.

Proposals to the Secretary-General:

Proposal 2:

We propose that the Secretariat develop a management tool whereby after the adoption of a legislative mandate the Secretariat would ensure that responsibility for implementation is assigned and accountability mechanisms are put in place.

Proposal 3:

We propose that the Secretariat prepare and submit budgets commensurate with the mandates approved by Member States. The General Assembly has not endorsed the principle of zero-nominal growth. However, it has been observed that the Secretariat in practice selectively applies zero-nominal growth programme budgets.

Proposal 4:

We propose the introduction of guidelines in the Secretariat for reporting on mandate implementation in order to ensure proper feedback, both at individual mandate and aggregate level, in particular through the programme performance report. The guidelines should provide information on the details of appropriate timing and frequency of reporting for different types of mandates. The information contained in the guidelines should be linked with the performance appraisal of relevant officials.

Proposal 5:

We propose that procedures for thematic progress and implementation reports be reviewed in order to ensure that all new mandates are properly followed-up within their context. Such implementation reports should be linked to the expected outcomes and results as stated in the Strategic Framework.

Proposal 6:

We propose that the evaluation and feedback process in the Secretariat be strengthened so that the knowledge of previous failure and success will be used in the preparation of new mandates for improvement and accountability. This includes improvement of the quality of reporting and introduction of a system to ensure integration of results into the accountability framework.

Proposal 7:

We propose that objectives, indicators of achievements and expected outcomes should be more clearly defined in order to enable accurate measurement of performance. Adequate tools must be available for the Secretariat to assess performance and outcomes and report thereon to Member States. The link between the Strategic Framework (or Medium Term Plan), the budget outline and the Proposed Programme Budget – as well as the link between the past performance and future allocations – should be strengthened. The programme budget document should more clearly show the link between programme information and the resources required for effective programme implementation.

Proposal 8:

We propose that more/improved workshops and training events and materials on RBM/RBB within the UN be offered to the programme managers in the Secretariat on the one hand, and to the Member States – especially representatives to the General Assembly's Fifth Committee – on the other. A handbook with guidelines for RBB, as a part of RBM within the UN, should be developed to support the shift in focus to outcome-driven programming, in order to promote a common understanding of these processes.

Proposal 9:

We propose that a review of the implementation of RBB in the Secretariat until today be conducted. The review should provide information on the progress of implementation; what the successes and failures have been; and the expected challenges for the continued process.

Proposal 11:

We propose that the Secretariat be requested to arrange more frequently informal and inclusive Question and Answer sessions and workshops early in the planning and budgetary process so that Member States representatives may pose questions and receive clarifications before official positions are taken in the formal procedures. This would increase transparency and improve the information flow – everyone would have the possibility of accessing the same information at the same time.

Proposal 12:

We propose that the Secretariat be asked to provide quarterly informal briefings to the Fifth Committee, adjusted to the work programme of that Committee, on budget implementation in a forum to which all Member States are invited. On these occasions the Secretariat should provide information on the achievement of results as measured against the targets and indicators approved by the Member States in the Biennial Programme Plan (or Medium Term Plan).

Proposal 13:

We propose that, as with budget documents, the programme performance reports focus on the achievement of targets and on results.

Proposal 14:

We propose that the Member States be given improved strategic guidance in the budget process, for example by improving the quality of the programme performance reports as well as by instituting effective self-evaluation by programme managers, establishing an effective and uniform evaluation system in the Secretariat and improving reporting on evaluation findings to Member States. Frequent validations by the OIOS of the self-evaluation findings of programme managers are also needed.

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We propose that the format of the financial performance reports be improved in order to facilitate overview on the effectiveness of budget implementation. The report should, for example, include information on the adequacy of the resources provided and where relevant, information on budgetary problems as well as proposed solutions.

Proposal 14:

The Secretariat should provide appropriate proposals for evaluation and self-evaluation as called for by the General Assembly.

Proposal 16:

We propose that, to enhance predictability, all core activities of the United Nations should be financed from the regular budget. Trust funds should primarily seek to complement regular budget funding for core activities and not replace the need for assessed contributions to finance core activities.

Proposal 18:

We propose that the rules for establishing and managing trust funds be revised and updated. The aims should be to increase transparency, to improve overview and to ensure the alignment of trust funds to the overall UN priorities while at the same time maintaining the flexibility that funds from various sources provide. As a basis for such a revision, we propose a review by the Board of Auditors, providing a baseline for evaluations of progress towards improving the management of trust funds.

Proposal 19:

We propose that the Secretariat reports regularly, for example in the context of the programme performance report, to the Member States on the status and rate of implementation of legislative mandates financed from trust funds.

Proposal 20:

We propose that ways of making formal and transparent assessments of candidates' qualifications – for example procedures using hearings – be developed to be used at the time of recruitment to the most senior positions (USG, ASG, SRSG). Hearings could for example be conducted by special expert panels. Such senior posts should not be monopolized by nationals of any state or group of states.

Proposal 21:

We propose that in undertaking the assessment of the Galaxy system, particular consideration should be given to issues of transparency and accountability in the recruitment process. Recruitment should be merit-based in relation to the Terms of Reference for specific posts. The principles of the UN Charter and relevant General Assembly resolutions must be respected.

Proposal 22:

We propose that a review of the weighted system be undertaken with a view to improving geographical distribution in the Secretariat as defined by the UN Charter and the relevant General Assembly resolutions, including at senior management levels.

Proposal 23:

We propose that the posts financed from extra-budgetary resources be subjected to the system of geographical distribution.

Proposal 24:

We propose that the Secretariat develop complementary ways of informing a wider public on vacancies in order to reach out to possible candidates from all geographical regions. Mechanisms such as professional associations can be used to identify qualified professionals from under-represented Member States.

Proposal 25:

We propose that the Secretariat reviews the way new staff are informed about job descriptions, expected achievements and responsibilities, to assess whether there is sufficient clarity for accountability.

Proposal 26:

We propose that the Secretariat, in the event that it deems the clarity and the information procedure insufficient, considers the creation of a "performance agreement" to be signed by staff when contracted.

Proposal 28:

We propose that ways and means be devised for the UN, as a knowledge-based organization, to develop long-term visions for human resource issues as a whole.

Proposal 30:

We propose that the possibilities of strengthening the institution of the PGA should be explored in line with the budgetary process of the UN.

Proposal 31:

We encourage the Secretary-General, in accordance with Articles 97 and 100 of the UN Charter, to continue to conduct informal meetings and consultations with all groups of Member States. These consultations should be inclusive, transparent and carried out early in decision-making processes.

Proposal 32:

We propose that consideration be given to introducing systems of systematic exchange of best practice and of using peer review mechanisms, reflecting the unique and inter-governmental nature of the Organization. The results should be available in the public domain in order to laude excellence and to provide incentives in line with our emphasis on transparency.

Annex 3: List of Abbreviations

4NI	The Four Nations Initiative
ACC	Administrative Committee for Coordination
ASG	Assistant Secretary-General
BPP	Biennial Programme Plan
CEB	Chief Executive Board
ECOSOC	Economic and Social Council
HLCM	High Level Committee on Management
HLCP	High Level Committee on Programmes
IAAC	Independent Audit Advisory Committee.
IFAD	International Fund for Agricultural Development
INSTRAW	UN International Research and Training Institute for the Advancement of Women
IMIS	Integrated Management Information System
IPSAS	International Public Sector Accounting Standards
JIU	Joint Inspection Unit
OIOS	Office of Internal Oversight Services
PAS	Performance Appraisal System
PGA	President of the General Assembly
PBI	Programme Budget Implications
PPB	Proposed Programme Budget
PPBME	Planning, Programming, Budgeting, Monitoring and Evaluation
RBB	Results-Based Budgeting
RBM	Results-Based Management
SRSG	Special Representative of the Secretary-General
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNITAR	United Nations Institute for Training and Research
UNRISD	United Nations Research Institute for Social Development
UNU	United Nations University
USG	Under-Secretary-General
WHO	World Health Organization

Annex 4: List of Steering Committee and 4NI Secretariat members

Chile
- Representative: *H.E. Ambassador Heraldo Muñoz*
  Permanent Representative of Chile to the United Nations, New York
- Alternate Representative: *H.E. Ambassador Alfredo Labbé*
  Deputy Permanent Representative of Chile to the United Nations, New York

South Africa
- Representative: *H.E. Ambassador Sipho George Nene* Deputy Director-General for
  Multilateral Affairs, Department of Foreign Affairs, Pretoria
- Representative until July 2007: *Dr. Nhamo Samasuwo*
  Programme Director Multilateral, The Institute for Global Dialogue, Midrand
- Alternate Representative until July 2007: *Dr. Francis Ikome*
  The Institute for Global Dialogue, Midrand
- Alternate Representative after July 2007: *Mr. Hendrik van der Westhuizen*
  Director for International Cooperation, Department of Foreign Affairs, Pretoria

Sweden
- Representative: *H.E. Ambassador Bengt Säve-Söderbergh*
  Ministry for Foreign Affairs, Stockholm
- Alternate Representative: *H.E. Ambassador Jan Cedergren*
  Ministry for Foreign Affairs, Stockholm

Thailand
- Representative after January 2007: *H.E. Ambassador Don Pramudwinai*
  Permanent Representative of Thailand to the United Nations, New York
- Representative until January 2007: *H.E. Ambassador Khunying Laxanachantorn
  Laohaphan.* Permanent Representative of Thailand to the United Nations, New York
- Alternate Representative: *Mr. Kriangsak Kittichaisaree*
  Director-General of the Department of International Organisations, Bangkok
- Alternate Representative: *Ms. Busaya Mathelin*
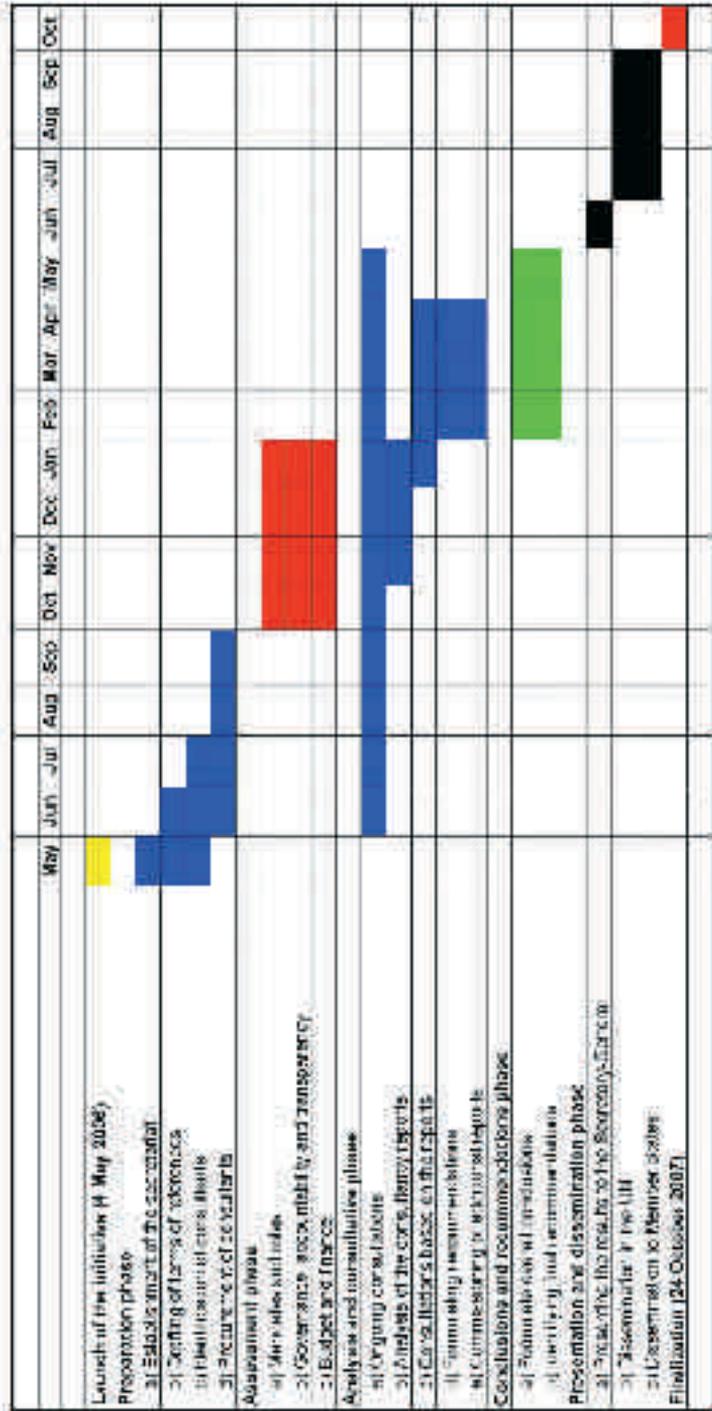 Deputy Director-General of the Department of International Organisations, Bangkok.

Fifth Committee experts
- *Mr. Abraham Quezada*
- *Ms. Karen Lock*
- *Mr. Henric Råsbrant*
- *Mr. Kosol Satithamajit*

4NI Secretariat
- Secretary-General *Mr. Anders Pedersen*
- Administrative Officer *Ms. Daniela Estay*
- Adviser *Ms. Susanne Lindahl*

Annex 5: Process and Time Plan: May 2006 – October 2007

Annex 6: Reform Chronology

(Source: Casabonne, Summary of UN Secretariat Reforms: Reports, Initiatives, and Decisions since 1997, available at the 4NI website: www.the4ni.org)

1997

- **January.** Kofi Annan assumes office as Secretary-General. The SG groups UN departments, funds and programmes under four sectoral areas: peace and security, economic and social affairs, humanitarian affairs, and development.

- **17 March.** In a letter to the President of the GA, the SG announces "track one" of his organizational reform programme: (1) merging three departments into one Department of Economic and Social Affairs (DESA); (2) taking steps to cut Secretariat administrative costs from 38 to 25 per cent of the budget; and (3) strengthening the role of Resident Coordinator as leader of the UN country team and moving towards use of common premises and services.

- **April.** The GA adopts resolution 51/226 *inter alia* on the SG's strategy for the management of the human resources of the Organization.

- **14 July.** The SG issues his report on *Renewing the UN: A Programme for Reform* (A/51/950). The report comprises two parts: Part one contains a thematic overview of the main reform elements, highlighting the new leadership and management structure the SG is instituting and summarizes the key sectoral measures he is taking and proposing to Member States. Part two includes a more detailed discussion of the entire set of reform measures as well as specific actions and recommendations.

- **16 July.** The SG presents "track two" of his plan to the GA: (1) establishing a Senior Management Group, composed of the coordinators of the sectoral groups, heads of the regional commissions and other Under-SGs; (2) establishing a "common framework" for the work of the UN Development Programme, the UN Population Fund and UNICEF, as part of the functioning of the UN Development Group; (3) consolidating UN work to counter crime, drugs and terrorism under a unified Office of Drug Control and Crime Prevention; (4) proposing to the GA the creation of the post of Deputy SG to improve management and oversee work that cuts across departmental and agency lines; (5) proposing to the GA a "Millennium Assembly" in 2000; (6) re-organizing the Department of Humanitarian Affairs into a new Office for the Coordination of Humanitarian Affairs. The SG also proposed the establishment of a Development Account.

1997

- **15 September.** The Geneva-based human rights programmes are merged into a single Office of the High Commissioner for Human Rights, and Mary Robinson takes over as High Commissioner.

- **December.** The General Assembly adopts resolution 52/12B in response to the report of the SG on *Renewing the UN: A Programme for Reform* (A/51/950 and Add. 1–7). The GA also acts on some measures in resolution 52/220.

1998

- The UN accepts a ten-year gift programme totalling $1 billion from US media magnate Ted Turner, setting the controversial precedent of seeking funding from private donors for UN programming. Turner's UN Foundation is then set up and makes its first disbursements.

- **January.** The Department of Disarmament Affairs is established.

- **August.** A Strategic Planning Unit is established within the Executive Office of the SG. The CPC and GA reviewed the PPBME regulations. The SG revised the PPBME rules. The new PPBME regulations and rules were issued in 2000.

1999

- The Security Council decides to hold more open meetings and to organize its meetings on a more flexible basis.

- **April 1999.** The GA considers the SG's proposals on human resources management (HRM) reform and adopts resolution 53/221 setting out the principles for future HRM reforms. The resolution also pronounced on many related issues, such as delegation of authority and accountability, recruitment and placement, staff development and the status of women. The resolution builds on previous HRM reform resolutions.

- **October 1999.** The GA adopts resolution 54/14 on procurement reform stressing that UN procurement should be transparent, cost-effective and reflect the international character of the Organization. The GA also welcomed the publication of a Procurement Manual by the SG.

- Secretary-General Annan sets up the Global Compact, a rights-based initiative addressed to private business corporations and financed outside the UN's regular budget. The UN and its agencies begin policy "partnerships" with companies. Many NGOs protest this intrusion of business and charge that the Global Compact provides public relations for corporate malefactors.

- To resolve tensions with Washington over dues assessment and payment, UN Member States agree to a new scale that reduces Washington's regular dues from 25 per cent to 22 per cent of the budget and its peacekeeping assessment from 30 per cent to 27 per cent. Other nations reluctantly pick up the difference.

- **29 June.** The SG convenes a first meeting of the high-level Accountability Panel in order to address systematic managerial issues. The SG has established written compacts with all senior managers, which holds them accountable for delivery of key activities and results.

- **1 August.** Publication of the Report of the SG on Human Resources Management Reform (A/55/253).

- **23 August.** The Report on the Panel on UN Peace Operations ("Brahimi Report") (A/55/305 – S/2000/809) recommends sweeping changes in peacekeeping strategy, doctrine and operations. The GA eventually votes to accept many useful changes, substantially

- **6–8 September.** The Millennium Summit is held at UN Headquarters, and 147 Heads of State and Government and 191 nations in total adopt the UN Millennium Declaration – a landmark document giving clear directions for adapting the Organization to the new century.

- **18 October.** In his report to the GA, "Safety and Security of UN Personnel" (A/55/494) the SG describes a two-year programme for the reinforcement of the UN Security Management System.

- **23 December.** The GA endorses a watershed resolution (55/231) on results-based budgeting.

2001

- **January.** An electronic Integrated Management and Information System (IMIS) is instituted, digitalizing budget and management information and linking UN operations in New York and worldwide.

- **April.** The GA considers the SG's progress report on procurement reform and adopts resolution 55/247.

- **June.** The GA adopts resolution 55/258 on human resources management reform. It also decides to establish a new agenda item entitled "Administration of Justice"; the question is separated from other human resources management reform.

- **6 September.** The "Road map towards the implementation of the UN Millennium Declaration" (A/56/326) is issued.

2002

- **January.** Kofi Annan begins his second term as Secretary-General and announces further reforms.

- **9 September.** The SG's second major package of reform "An agenda for further change" was issued (A/57/387), detailing proposals on: (1) Aligning UN activities (meetings, reports, events) with the priorities agreed in the Millennium Declaration; (2) Strengthening human rights; (3) Enhancing public information; (4) Servicing Member States better; (5) Working better together; (6) Allocating resources to priorities; and (7) Additional measures to improve human resource management.

- **November.** The Department of Public Information is restructured into three main divisions and a new concept of operations is introduced. The GA adopted resolution 57/7 on the engagement of the UN system in support of the New Partnership for Africa's Development (NEPAD).

- **December.** The GA adopted resolution 57/300 in response to the SG's report on "An agenda for further changes". The GA approved the establishment of the Special Adviser on Africa. The GA also adopted resolution 57/279 on procurement reform calling for greater participation by vendors from developing countries in UN procurement.

- **December.** The GA calls for a comprehensive review by the UN system of the governance structures, principles and accountability (resolution 57/278A). The comprehensive governance review was completed in mid-2006.

- **April 2003.** The GA adopts resolution 57/305 on HRM reform and its first resolution on Administration of Justice in the Secretariat (resolution 57/307). The GA also considers the new Information Communication Technology strategy for the UN and adopts resolution 57/304 thereon.

- **June 2003.** The GA adopts a comprehensive resolution dealing with various peacekeeping financial and administrative policy issues that are cross-cutting in nature. Resolution 57/290B addressed other Secretariat and Management reform related matters, such as the use of results-based budgeting by peacekeeping operations, recruitment, procurement and contract management, training of staff and the Information and Communication Technology strategy.

- The blue-ribbon "Cardoso Panel," named by the Secretary-General to look at relations between the UN and "civil society," considers UN relations with NGOs, business, parliamentarians and local governments. The panel issues a controversial report, speaking of the UN as a "convenor" of policy meetings and not as an authoritative law-making body. NGOs offer sharp criticisms of the report and the GA never acts on a follow-up resolution

- The UN opens its Official Documents System to the public, through an internet access site.

- **December 2003.** Two GA resolutions on procedural improvements to the UN's system of budgeting and planning, and the 2004/5 budget allocation itself (A/RES/58/269 and 270). Resolution 58/269 launched an experiment whereby the Medium-Term Plan was replaced with a Strategic Framework covering two years instead of four years of programmes.

- Issuance of the Triennial Comprehensive Policy Review of operational activities for development of the UN system – reflecting better coherence and coordination between UN offices at the country-level.

- Report of the High-level Panel on UN – Civil Society relations issued.

- Issuance of the report of the blue-ribbon panel on "Threats, Challenges and Change" studies global security issues and makes recommendations for institutional reform and policy initiatives. The report links security, development and the environment and it proposes a new Peace-building Commission and a Human Rights Council.

- **December 2004.** The GA approves the first Strategic Framework of the Organization covering the period from 2006-2007. Resolution 59/275 also calls for improvements to monitoring and evaluation in the Organization. The GA also adopts a comprehensive resolution on human resources management reform (resolution 59/266).

2005

- **21 March.** The SG issues his report In Larger Freedom, based on the "Threats" Panel report and on the Millennium Project Report. Intergovernmental negotiations begin on the Millennium+5 summit reform document.

- **13 April.** The GA adopts resolution 50/288 on procurement reform requesting ethical guidelines for procurement staff and greater effort to increase procurement from vendors from developing countries and countries with economies in transition.

- **June.** The GA adopts its second cross-cutting resolution on peacekeeping issues addressing aspects of procurement reform, results-based budgeting, human resources management reform, delegation of authority to the field, and the financing of disarmament, demobilization and reinsertion from assessed funding. The GA also requested a comprehensive review of the management of peacekeeping operations, including the relationship between the DPKO and other Departments.

- **June.** The GA adopts resolution 59/283 on Administration of Justice requesting the SG to establish a panel consisting of external and independent experts to review the system of administration of justice.

- **14–16 September.** World Summit takes place, as a follow-up summit meeting to the UN's 2000 Millennium Summit, which led to the Millennium Declaration of the Millennium Development Goals (MDGs). Management reform was also discussed at length, and the final "Outcome Document" requested the SG "to submit proposals for implementing management reforms to the GA for consideration and decision in the first quarter of 2006." At the Summit, Heads of State or Government agreed on a significant number of issues including measures to increase ODA, criteria for the "responsibility to protect" civilian in conflict situations, the establishment of a Peace-building Commission, a request for a review of mandates, establishment of a Human Rights Council, and a strong push for a comprehensive convention against terrorism by the end of the year.

- **October – November.** DPKO establishes a dedicated Conduct and Discipline Team in headquarters to address the prevention of misconduct and enforcement of standards of conduct through means such as implementing training and awareness raising, identifying and responding to complaints, establishing and maintaining a comprehensive database, and providing strategic guidance and policy development, including standardizing the norms of conduct. Also, introduction of a system-wide programme entitled "Prevention of workplace harassment, sexual harassment, and abuse of authority".

- **December.** Based on the recommendation by the SG, Member States approve an additional 39 positions to increase the capacity of OIOS's audit and investigatory capacities. Member States agree, in principle, to create an Independent Audit Advisory Committee, which will advise them on the adequacy of the Organization's audit coverage and resourcing.

- **19 December.** New whistleblower protection policy issued to help ensure that the Organization functions in an open, fair, and transparent manner, with the objective of enhancing protection for individuals.

- **30 December.** Peace-building Commission established "to marshal resources at the disposal of the international community to advise and propose integrated strategies for post-conflict recovery, focusing attention on reconstruction, institution-building and sustainable development, in countries emerging from conflict."

2006

- **30 March.** A report entitled "Mandating and delivering: analysis and recommendations to facilitate the review of mandates" is issued following the GA's request for a review of mandates older than five years.

- **3 April.** Human Rights Council established, designed to allow for a more rigorous implementation and monitoring of human rights, replacing the Human Rights Commission.

- The SG presents his management report "Investing in the UN: for a stronger Organization worldwide" (A/60/692) containing 22 reform proposals. Under pressure from some Member States and with only six months of funding for the authorized UN budget (due to the spending cap), the report includes proposals that would shift power to the office of the SG from the GA and would limit decision-making on budgetary and administrative matters to a small group of Member States (20/30 instead of 192). UN staff and the G77 and other Member States vigorously oppose these proposed measures.

- **2 May.** The SG presented his report "Uniting against Terrorism" (A/60/825). This report presents elements for a counter-terrorism strategy as presented in Madrid in March 2005.

- **16 May.** The GA responds to the SG report "Investing in the UN" by resolution 60/260, which sets the framework for future reporting and reaffirms the sovereign equality of Member States enshrined in the UN Charter to participate in decision-making in the GA. Thus rejecting the proposal to establish a small group of Member States to consider budgetary and administrative matters.

- **30 June.** The GA adopts its third cross-cutting resolution addressing a wide-range of peacekeeping policy matters, such as results-based budgeting, accountability, human resoucces, management and procurement related issues.

- **7 July.** The GA, in response to the SG's four reports on "Investing in the United Nations" (A/60/846 and Add.1-4), approves a package of reforms, for example granting the SG limited budgetary discretion, approving the creation of a Chief Information Technology Officer, adopting new accounting standards, increasing the level of the Working Capital Fund and endorsing the development of an Enterprise Resource Planning system for the Organization (A/RES/60/283).

- **10 July.** The Steering Committee for the "Comprehensive Review of Governance and Oversight with the UN and its Funds, Programmes, and Specialized Agencies" submits its review to the SG.

- **9 November.** The SG's High Level Panel on UN System-wide Coherence in the areas of Development, Humanitarian Assistance and the Environment delivers its report "delivering as one" to the GA with proposals for a more unified, coherent UN structure at the country level.

- **20 November.** The GA adopts resolution 61/16 on strengthening of the ECOSOC.

- **22 December.** The GA adopts resolution 61/244 on Human Resources Management, addressing issues such as geographical representation, mobility, accountability and career development.

- **22 December.** The GA adopts resolution 61/245 on Governance and Oversight, agreeing to a framework for consideration in 2007 of the revised terms of reference for the IAAC; strengthening of the OIOS; the enterprise risk management and internal control framework; Results-Based Management; and the accountability framework.

- **22 December.** The GA adopts resolution 61/246 on procurement reform which strengthened the internal controls of the UN procurement system, established a new unit to improve vendor diversification, requested a review of delegation of authority to the field and approved additional resources for the United Nations Procurement Division.

- The GA by resolution 61/235 approved the second Biennial Programme Plan of the Organization covering the period 2008-2009. The GA for the second time did not endorse the Plan Outline of the Strategic Framework containing the longer-term objectives. The budgetary and planning experiment will end in 2007.

- The GA approves the budget for the Capital Master Plan, as well as the financing modalities for the project enabling the Secretariat to commence with the refurbishment of the UN Headquarters in New York (resolution 61/251).

- **January.** The new SG announces his intention to restructure the Secretariat, dividing the DPKO and merge the DDA and the Peacebuilding Support Office with the DPA.

- **2 April.** The GA adopts a resolution on the Administration of Justice at the United Nations (resolution 61/261). It decides to establish a new, independent, transparent, professionalized, adequately resourced and decentralized system of administration of justice in two tiers and with a single integrated and decentralized Office of the Ombudsman.

- **4 April.** The GA adopts a resolution on a strengthened and unified security management system for the United Nations, endorsing the recommendations by the ACABQ under certain provisions.

The Four Nations Initiative (the 4NI) was conceived in 2005 by Chile, South Africa, Sweden and Thailand in an effort to provide new ideas and perspectives on governance and management of the UN Secretariat. The Initiative consisted of a Steering Committee with representatives from all four Member States and a Secretariat based in Stockholm.

During 18 months from 2006 to 2007, the Four Nations Initiative went from analysis to consultations and onwards to the formulation of proposals complementing the ongoing Secretariat and management reform processes. The proposals have been identified and refined through a transparent process of extensive consultations with Member States, UN Secretariat representatives and other key actors.

This is the final report by the Four Nations Initiative, presenting 32 specific proposals for improved governance and management of the UN Secretariat, as seen from a Member States perspective.

For further information about the work of the Four Nations Initiative, visit our website www.the4ni.org