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THE UNECE REFORM

Note by the Executive Secretary

I. REVIEW OF THE REFORM PROCESSES

A. Reform of the United Nations

1. The Secretary-General's report on the Status of implementation of actions described in his previous report on Strengthening of the United Nations: an agenda for further change (A/57/387) has been submitted to the fifty-eighth session of the General Assembly in document A/58/351. As indicated in the report, it "should be read in conjunction with several subsidiary reports, prepared pursuant to specific provisions of Resolution 57/300", including on the intergovernmental review of the medium-term plan and the programme budget (A/57/786), on the review of technical cooperation in the United Nations (A/58/382); on improvements to the current process of planning and budgeting; and on enhanced cooperation between the United Nations and all relevant partners in particular the private sector (A/58/227).

2. Many of the issues covered in the Secretary-General's report A/58/351, as well as the above-mentioned subsidiary reports are of direct relevance to the work of the UNECE. The present note does not attempt to summarize the reports of the Secretary-General but highlights points of particular interest below.

(a) ***Improvements to the current process of planning and budgeting***

3. As indicated in paragraph 54 of the Secretary-General's report A/58/351, a number of changes have been introduced in the programme budget, with greater attention being devoted "to making the budget's introduction more strategic- highlighting significant changes to the proposed work programme and providing greater alignment of activities." **In this connection the UNECE, through its participation in the Executive Committee for Economic and Social Affairs, has been involved in a review of the 2004-2005 draft programme narratives** of the EC-ESA members around ten clusters of activities, namely: (1) trade; (2) macroeconomics analysis, finance and external debt; (3) environmentally sound management and human settlements; (4) social development and social integration; (5) advancement of women; (6) countries in special situation; (7) governance, institutions building and human capacity building; (8) science and technology for development; (9) human rights; (10) statistics and data collection. The idea behind this exercise was to ensure further coordination in their programme planning so as to provide a unifying and integrated approach to the work of the UN in the economic and social fields.

4. Following the preparation of the programme budget, EC-ESA decided to maintain the clustering approach on an ongoing basis in order to enhance cooperation among its entities in these 10 thematic areas, both in the analytical field and in technical cooperation activities. As a concrete follow-up, it was agreed that the thematic group on Cluster 1 (Trade) would exchange views – particularly among UNCTAD and the regional commissions - on the current developments both in multilateral and regional trade agreements. The thematic group on Cluster 10 (Statistics) is expected to promote the use of common databases for the analytical work of the EC-ESA members, building upon those already existing within the UN.

5. Also at the request of the Secretary-General, EC-ESA has undertaken a review of the publication policy of its members. Subsequently, it has been decided to develop a set of common criteria covering such matters as (i) relevance; (ii) quality control and physical production; (iii) marketing; (iv) co-publication; and (vi) authorship. It is expected that this EC-ESA process for publications will be developed to serve in effect as a peer review through both the thematic groups and the plenary meetings of EC-ESA. ***The UNECE will be actively involved in this process.***

6. Details on other proposed improvements to the planning and budgeting system are to be submitted to the current session of the Assembly.

(b) ***Managing Resources and reinforcing Human Resource management***

7. Action 24 of the above-referenced A/57/387 contained a number of proposals aimed at improving the management of the UN's trust funds. As indicated in the Secretary-General's current report, "work is now underway to consolidate and reduce the number of funds, harmonize relevant rules and reporting requirements as much as possible and streamline procedures for accessing monies" (para.57). In this connection, a Trust Fund Working Group has been established that has met with all relevant departments and regional commissions. It is expected that a revised Administrative Instruction on the management of Trust Funds will subsequently be issued.

8. The Secretary-General's report to the fifty-seventh session of the General Assembly also contained a number of proposals concerning human resources management. These related, inter alia, to enhancing staff mobility, flexible working arrangements, and more targeted recruitment mechanisms. A progress report is provided in the current report of the Secretary-General where it is also stated that "overall, the subject of human resource management reform will be considered by the Assembly at its fifty-ninth session when a number of additional reports will be submitted for its consideration." (para. 68).

(c) *Review of Technical Cooperation*

9. The Secretary-General's report "A Review of Technical Cooperation in the United Nations" (A/58/382) provides an in-depth analysis of the evolution and current state of affairs in the United Nations' technical cooperation activities and of the factors which have an impact on the division of labour among various United Nations entities, including the UN regional commissions.

10. The report underlines that while the UN technical cooperation system is complex, it is not without historic rationale. The differing mechanisms that exist within the system for delivery of technical cooperation continue to attract funding support from donors, and their services continue to be of value for the recipient countries. The UN system of technical cooperation has not been designed for optimal efficiency, but rather has evolved over a number of decades as a result of incremental decision-making by governing bodies and funders. Donor funding practices have a major impact on the structure of the system. This and other factors tend to favour an incremental approach to rationalisation of UN technical cooperation activities rather than a fundamental restructuring.

11. The report undertakes a comprehensive review of a number of selected issues, which are most closely linked with the work of the UN Secretariat in the area of technical cooperation. These include, Natural Disasters, Trade, Energy, Peace-Building, Rule of Law, Public Sector Management, ICT, Landmines, HIV-AIDS, and Women and Gender. This review includes information and analyses of technical cooperation activities carried out by the UNECE in these selected issues, such as Trade (entrepreneurship, investment promotion, and trade facilitation); Energy (energy efficiency), Peace building (economic dimensions of security); ICT (e-governance, standardization of electronic systems used in trade, regulatory harmonization of telecoms); Women and Gender (women's entrepreneurship, linkages to transnational corporations and SMEs).

12. One of the conclusions of the report is that despite the large number of entities involved and the variety that may act on any single issue, the areas of outright duplication are limited. The activities of regional commissions, including UNECE which focus on multi-country and trans-boundary issues with specific attention paid to landlocked and conflict affected countries of the region, represent an important additionality to the global process through their regional perspective and processes and can be seen as logical components of broader United Nations responsibilities.

13. The report also concludes that a complex and at times under-resourced system of technical cooperation appears to be performing reasonably well. In follow-up to the report the Deputy-Secretary-General will undertake further action to ensure that optimum synergies within the

system are achieved. The Administrator of UNDP will undertake, in close collaboration with interested UN department heads, a review of a few key issues where the division of labour can be improved and will report back to the Deputy-Secretary-General. Attention will be also given to ensuring effective collaboration between the regional commissions and the funds and programmes, in cases where there is shared sectoral priority and where required expertise exists.

(d) Enhanced cooperation between the UN and all relevant partners, in particular the private sector

14. As indicated in the Secretary-General's report (A/58/351), the Panel of Eminent persons on United Nations Relations with Civil Society was established in February 2003 under the Chairmanship of former President of Brazil Fernando Henrique Cardoso, "to formulate recommendations on how to enhance the interaction between the Organization and civil society." (para.50) The panel, whose task is "to review existing guidelines, decisions and practices regarding civil society organizations' access to and participation in United Nations deliberations and processes; to identify best practices in the United Nations system and in other international organizations; to examine how participation of civil society actors from developing countries can be facilitated; and to review how the Secretariat is organized to facilitate, manage, share experiences and evaluate the United Nations relationship with civil society and to share experiences in this regard" (para. 52) will submit its recommendations to the Secretary-General by May 2004.

15. The Secretary-General's report also informs that voluntary contributions have been sought for a Partnership Office which will be established in the near future. In addition to providing direction to the two secretariat entities currently dealing most directly with the private sector and foundations, (the Global Compact Office and the UN Fund for International partnerships (UNFIP), the new office would "work with the network of private sector focal points across the United Nations system to develop common policies and the systematic sharing of best practices." The report goes on to state that "as partnership approaches expand throughout the United Nations system, there will be a growing need to ensure common standards of accountability, assessment, and reporting." (para. 53)

B. Reform of the UNECE

(a) Updates on previously reported initiatives

16. Progress in improving the working of UNECE, both at the secretariat and intergovernmental level has been made since document E/ECE/1399 was issued in 2002. For example, the mechanism described for increased participation of staff in decision-making and information sharing continues to be applied. Strengthening intersectoral and cross-sectoral collaboration at the secretariat level has been helped by inter-divisional task forces dealing with security and information society issues. A Senior Management Group on Sustainable Development has also been established. With a view to motivating staff and providing intellectual stimulation, a series of staff brainstorming sessions have been held on the Impacts of EU policies on UNECE work. In addition, a series of academic discussions given by interested staff has been launched. Thus far, lectures have been given on "UN Reform – What analytical foundations?", "Fiscal Dimension of the Stability and Growth Pact in an enlarged EU", "Integrated Europe: The

Challenge of Finding Location for Production and Business”, and “Tax Reforms in the EU acceding East European countries”.

17. Also with a view to motivating staff and promoting internal mobility, the internal filling of vacancies on a short-term basis introduced two years ago has been strengthened. In addition, a UNECE internal Human Resources Policy has been drafted, particularly to assist its staff to comply with the mobility requirement under the new staff selection system of the United Nations, to facilitate achievement of commitments made by UNECE under its Human Resources Action Plan, and to ensure that personnel-related actions/requests are appropriately addressed and provided for in accordance with UN rules and regulations. In keeping with the global reform, flexible working arrangements were introduced as from 1 June 2003 along with the issuance of guidelines on its implementation.

18. In the field of public information, it was reported that the secretariat intended to introduce a two-page weekly newsletter and to increase the frequency of UNECE Highlights. The ECE Weekly has been launched and its mailing list includes about one thousand names, missions, delegates, other UN entities as well as other international organizations. The UNECE home page is currently being redesigned in order to have a more “corporate” image, and is also being restructured in order to make it more user friendly. It has currently about 350,000 visitors per month. A new version of UNECE Highlights is being prepared which will be of a more analytical nature.

19. The UNECE Internship Programme has also been strengthened. Updated information on the internship programme has been posted on the UNECE website in its three working languages and direct contacts have been established with a number of universities, such as the Georgetown University Law Centre in the US and the Bocconi University in Italy. In 2003 UNECE hosted approximately 50 interns from more than 20 countries. This outreach programme will also serve to increase the UNECE’s visibility while at the same time being mutually beneficial to both interns and the UNECE Efforts to further improve the programme, based inter alia on the feedback received from interns in the forms of answers to a questionnaire, will continue.

20. As previously indicated in document E/ECE/1399, a UNECE publication strategy aimed at improving the quality of UNECE publications was adopted in 2002 up to overview and co-ordinate the publication process at ECE. As also previously reported, the number of publications included in the proposed programme budget for 2004-2005 was significantly reduced. At the same time, it is important to note that the strategy was not simply aimed at reducing the number of titles but rather at greater effectiveness and better quality of products. Thus, for example, a series of UNECE Occasional papers was launched as well as a new version of the UNECE’s publication on its annual activities – “Annual Report”.

21. The focus for the next biennium in the domain of publications will be on the organisation and structuring of publications around UNECE Series. The following series were identified as clusters of the main UNECE products: Sectoral Outlooks, Economic and Social Studies, Legal Instruments, Guidelines and Standards, Public Information, Country Surveys, and Occasional Papers. In cooperation with Headquarters, graphical presentations for the series have been prepared and will be gradually introduced.

22. At the Intergovernmental level, Guidelines for Teams of Specialists were elaborated, commented on by the Group of Experts on the Programme of Work (GEPW) and endorsed by the Commission at its Ad Hoc Informal Meeting of 26 June 2003. These guidelines set the procedure for the establishment and functioning of all advisory bodies and informal groups working under the authority of a Principal Subsidiary Body or a Working Party.

(b) Actions proposed in E/ECE/1399

23. In addition to reporting on reform measures already implemented by the secretariat, document E/ECE/1399 contained nine proposed actions. Three were proposed under Part II, Intergovernmental Structures. *Action 1* proposed that “the Annual Session will discuss the adjustment of the intergovernmental structure at the Commission level if any eligible body proposes it.” (para. 20). *Action 2* stated that the “PSBs will review annually their intergovernmental structure, including related advisory groups such as teams of specialists, and report to the Commission at its Annual Session.” (para. 21).

24. In line with the latter proposal, the following developments over the past year can be reported; (i) the Committee on Human Settlements decided to establish two task forces, one on social housing and another on urban planning; (ii) the Working Party on Technical Harmonization and Standardization Policies recently established an ad hoc advisory group on market surveillance.

25. Furthermore, the following changes are expected to be introduced in 2004: Following the Kiev Ministerial Conference, UNECE has been given the task of preparing an education strategy for sustainable development. This work is envisaged to be undertaken through an open-ended task force to be set up by UNECE, comprising representatives from the Ministries of Education, with the participation of UNESCO and the Council of Europe. The Committee on Environmental Policy has invited delegations to nominate experts to participate in the task force, the first meeting of which is planned for February 2004.

26. A review of the CEFAC structure and of the subsidiary bodies under the Committee for Trade, Industry and Enterprise Development is also being undertaken, both by the latter body and the GEPW. The result of this review will be submitted to the Commission, possibly at an ad hoc informal meeting in Autumn 2004.

27. With regard to the Inland Transport Committee, at its February 2004 session it Committee will be asked to endorse the proposed new title and scope of the Working Party on Combined Transport, as well as the proposed cooperative arrangements with ECMT that would result in the creation of a “Joint ECMT/UNECE Working Party/Group on Intermodal Transport and Logistics”, consisting of separate ECMT and UNECE segments. The aim is to streamline the already existing cooperative procedures between the two organizations and to create synergies in intergovernmental policy, technical and legal activities in this field at the pan-European level.

28. The above demonstrates that in any event, the subsidiary bodies are conscious of the need to review their structures and modify them as necessary. That notwithstanding, the Executive Secretary believes that the proposed actions should be systematically implemented and she therefore reiterates the proposals in the hope that they will be formally endorsed by the current Session.

29. *Action 3* stated that the secretariat would produce a report with suggestions in relation to the mentioned inter-governmental restructuring to be considered by the Commission at the 2004 Annual Session. At this stage such a report is not considered necessary, since, on the basis of the questionnaire filled by all PSBs and Working Parties concerning their intergovernmental structure, nothing more is envisaged in terms of intergovernmental restructuring than indicated above.

30. Under Strengthening the secretariat, *Action 4* stated that the secretariat would propose adjustments to the programme of work planning process in order to ensure that it better reflects priorities and the new challenges and ensures increased transparency and efficiency. These would be considered at the next Annual Session (para. 24). A proposal, annexed to this report, has been prepared.

31. *Action 5* under the same section stated that the secretariat would investigate opportunities to increase transparency and efficiency in the management of budgetary and extra-budgetary funds and would inform the Commission at the next Annual session. This is linked to the overall efforts of the Secretary-General mentioned in paragraph 7 above. In this connection Division project managers have been provided access to updated information on actual income and expenditures for their trust fund accounts in Excel format. In addition, the secretariat is currently discussing with UNOG the feasibility of providing the UNECE, as from January 2004, with a web-based tracking system that downloads financial data directly from the Integrated Management Information System (IMIS). UNECE is also currently working out the details of an MOU with UNOG so that the UNECE will be in a better position to monitor the actual expenditures incurred by UNOG in the provision of services to the UNECE.

32. Finally, *Action 6* stated that the secretariat would further analyse modalities of the UNECE cooperation with the business sector and the necessity of adjusting the general guidelines to UNECE needs. If necessary it would produce internal guidelines on cooperation with the business sector. In this connection, the secretariat has noted a steady increase in the importance of partnerships with the business community. It has also observed a new trend in partnerships aimed at increasing the support of the business sector for the implementation of UN development goals in the areas of poverty, peace building and good governance. With respect to the elaboration of internal guidelines on cooperation with the business sector, the secretariat is of the view that such guidelines would be premature in view of the fact that the UN is currently updating its guidelines in cooperation with the business community and further initiatives by UNECE should wait until the results of this updating are known.

33. Three actions related to UNECE Technical Cooperation: *Action 7* stated that the secretariat would provide substantive support for the implementation of a proposed mechanism of priority setting. *Actions 8 and 9* stated that the secretariat would identify and implement a monitoring technique for UNECE technical cooperation and that the secretariat would put greater emphasis on the evaluation of technical cooperation and would use the most appropriate evaluation technique available.

34. *Action 7*, and more precisely the priority setting mechanism to be supported by the secretariat, was discussed by the GEPW and recommendations were formulated thereon. In making its recommendations, the Group recalled that technical assistance activities were aimed to support the core programme of work and that the Commission at its 2004 Annual session would

discuss the strategy for technical cooperation (under agenda item 4). The Group recommended to the Commission that the mechanism for the priority setting in the field of technical cooperation should identify the priority areas within UNECE's technical cooperation activities that are currently under-financed and suggest that any un-earmarked funds be directed to these areas.

35. The Group invited the secretariat to propose a simple mechanism that would facilitate the implementation of the priority setting mechanism. It also recommended that this mechanism, about which the Commission will take a decision, could include a number of basic components as contained in Annex II.

36. In addition, given that the participation of delegates from lower income UNECE countries at several meetings is limited due to budget constraints, the GEPW invited the PSBs to advise it about the key meetings where the participation of specific countries/delegates is considered as extremely important and would need priority attention from donors.

37. The GEPW also stated that within a particular under-financed priority area, donors could be invited to consider allowing certain flexibility in the allocation of their contributions to different projects proposed in that area.

38. The above recommendations are discussed at more length in the addendum to this report.

39. The Group of Experts' recommendations in support of proposed actions 8 and 9 were endorsed by the Commission at its Ad Hoc Informal Meeting of 26 June 2003. These included the suggestion that invited the secretariat to identify best practice in monitoring technical assistance by looking at current monitoring practices in other organisations and institutions. With regard to evaluation, the Group suggested that (a) consideration be given, where appropriate, to using independent outside evaluators and obtaining the views of relevant member States and donors; (b) the impact of any project be assessed; (c) eventual outputs be checked against the objectives; and (d) an appropriate evaluation mechanism be included during the project planning stage.

40. Work is currently underway in the secretariat to develop a monitoring system for technical cooperation. The challenge here is to ensure that a monitoring system, while reducing the time and resources spent on reporting, would at the same time be more transparent and user friendly. Steps are also being taken to combine financial and substantive monitoring and reporting within the same system, as recommended by OIOS.

41. As far as evaluation is concerned, and as was underscored in the report on UNECE Reform submitted for consideration at the 2003 annual session, the UN experience has shown that evaluating technical cooperation can be a time-consuming and resource intensive task. While the secretariat will continue exploring the experience gained within and outside the UN system in the area of evaluation in order to identify the most appropriate evaluation techniques available and best practice, it should be noted that using one single evaluation technique or methodology might not be practicable, considering the broad range and diversity of types of technical cooperation activities carried out by the UNECE.

42. Steps are being taken to integrate evaluation techniques and indicators in the monitoring and reporting system referred to above. The goal here includes finding a mechanism that will allow an assessment of the impact of technical cooperation projects and activities, and to assess

the outputs against the envisaged goals and objectives as part of self-evaluation. Consideration is also being given to ways of including appropriate evaluation techniques in the planning and formulation of future projects and activities with involvement of relevant member States and donors. This will include formulation of goals and objectives for technical cooperation activities and projects along with expected accomplishments and indicators/measurements of their impact.

43. In addition to self-evaluation, the secretariat will also use independent outside evaluators, whenever resources are available for that purpose and/or are included in donor's contributions as part of earmarked contributions for specific projects and activities. The secretariat will also expand the practice of circulating to the participants of training and capacity building workshops evaluation questionnaires soliciting their views regarding the usefulness and impact of these activities as well as possible ways of improving them in the future.

44. It should be emphasised in the context of evaluation that the overall effectiveness of technical cooperation activities as well as their impact often depends on factors which are not under the control of the secretariat. For example, in many instances it is not for the secretariat to decide which particular national specialists and/or policy makers are to be involved in specific capacity building and training activities. The impact of such activities and their outreach can be optimal only if countries involve in them persons who not only would use the knowledge obtained in their own work, but would disseminate it broadly within their countries or national constituencies.

45. The results of evaluation will be made available to members of the Commission on a regular basis.

46. In making its recommendations concerning Actions 8 and 9, the Group also recommended that the secretariat prepare the strategy on technical cooperation referred to in document E/ECE/1399 for the 2004 session of the Commission, with a report on progress of its preparation to be submitted to the GEPW by the end of November 2003. In the context of such strategy the GEPW also stated that the principles of the strategy need to be demand driven, results oriented and focus on the main priority areas and on the countries most in need. The strategy should also include the sharing of any monitoring and evaluation reports with member States.

47. The Group of Experts also stated that it supported the suggestion contained in E/ECE/1399 that a coordination mechanism be put in place within the secretariat to improve coordination of technical cooperation. It considered that that this should ensure that member-States are given a better overview on all aspects of technical cooperation projects. The Group also recommended that the secretariat provide regular briefing sessions with member States on technical cooperation projects both during the planning and implementation stages, which may inter alia assist in the funding of projects.

48. The proposed strategy for technical cooperation is contained in the addendum to this report. It addresses not only the underlying general strategic framework, principles and objectives but also the secretariat support arrangements that would support the priority setting mechanism, monitoring, evaluation, fund-raising and overall coordination of technical cooperation.

(c) *New Initiatives:*

➤ E strategy

49. The input provided by UNECE to the World Summit on the Information Society (WSIS) provided a good opportunity to review the e-approach in the UNECE's programme of work. The UNECE should therefore adopt a strategic approach to the way it uses ICT for achieving its goals in its different subprogrammes and in its governance and management.

50. An integral part of UNECE's e-strategy will be an ICT strategy. In this connection, significant efforts have been made recently in the applications of ICT at the UNECE secretariat, for instance the introduction of an integrated staff list and a tracking system for the management of decisions of the Directors' meetings, the development of a database management tool, the implementation of the ePAS system as the first UN department in Geneva to do so, the upgrading of the infrastructure for e-mail messaging (migration to Lotus Notes), improvement in the Intranet and the web, the introduction of a task monitoring system in relation to the decisions of senior management, the growing number of e-publications and CD-ROMs, etc. Major developments have also taken place at the level of Divisions and PSBs: for instance the meeting and content management system introduced by the Statistical Division, the integrated presentation of activities for interagency coordination currently managed by the Trade and Statistical Divisions, etc.

51. However, significant gaps remain in e-governance. For instance, new tools for communication with national delegations, partners and stakeholders could be introduced (video-conferencing and virtual discussion groups). In e-management, e-learning and e-training could be further developed; new e-tools could be developed in the various sectors of UNECE activity, e.g. in transport, environment, trade, etc.

52. However, the major gap remains the lack of an explicit and structured "E-strategy" for the UNECE, and its full integration within the broader strategies of the organization. This gap is clearly visible in that currently the management of ICT is mostly technically oriented and does not sufficiently interact with the strategic orientation and decisions of the organization.

53. The UNECE reform therefore aims at setting a process in motion that would lead to the formulation and implementation of an e-strategy, and its full integration into the programmes of work, governance and management of UNECE. In other terms the management and policy implications of ICT have to be put at the centre of the strategy, rather than the technical aspects.

54. The E-strategy, particularly the e-programme of work, will be developed at UNECE by setting in motion a process of internal and intergovernmental policy dialogue. In other words it should be seen as a process of gradual adjustment, rather than a stand-alone and ad hoc exercise. The aim should be to make the e-strategy an integral part of the UNECE reform, and its strategic orientations, and put it at the service of the broader policy, governance and management objectives of UNECE. This implies mainstreaming the e-strategy into the implementation of the approved programme budget for the next biennium 2004-2005 and assigning a proper place and value to the e-strategy in the process leading up to the programme-budget for the next biennium 2006-2007. This in turn implies a stock taking exercise and gap analysis aimed at identifying best

practices, particularly at Division and PSB level, analysing gaps and inconsistencies, collecting proposals and ideas on improvements, defining priorities and implementation.

➤ Evaluation

55. Both the Office of Internal Oversight Services (OIOS) and the Group of Experts have encouraged the secretariat to develop a set of evaluation methodologies corresponding to the different types of UNECE activities. Evaluation of technical cooperation activities is addressed above.

56. Best practices within the UNECE concerning evaluation relate to the Committee on Environmental Policy and the Timber Committee. Over the past year, the Committee on Environmental Policy has achieved two reviews: one concerns its overall programme of work as contained in the document "Future ECE strategic directions for the environment" and the other on the EPR as contained in the document "Environmental policy in transition: lessons learned from ten years of UNECE Environmental Performance Reviews". The outcome of these evaluations provides guidance to the work of the Committee for the forthcoming years. The CEP Bureau conducts an in-depth review of three of its six programme activities so that in a 2-year cycle the whole programme of work is reviewed and updated according to the needs of the member countries. The Timber Committee undertakes a strategic review of its whole programme of work every four years by member countries and other stakeholders. The last one was in 2000/2001; the next one will be in 2003/2004.

57. Bearing in mind these examples, it is proposed that the Commission request all PSBs to undertake an evaluation of their overall programme of work once every four years. At the same time, the secretariat will seek to develop the set of evaluation methodologies referred to above.

ANNEX I

Proposal relating to Adjustments to the programme of work planning process

It is proposed that the involvement of the different actors in the preparation of the programme budget narratives during a budget submission year be accomplished through the following framework:

- (i) The **Principal Subsidiary Bodies (PSBs)** would each prepare a note outlining: their directions and priority areas; proposals on what activities to continue, terminate or introduce; and possible streamlining of their meetings, documents and publications.
- (ii) At its annual session in the budget submission year, the **Commission** would, under a specific agenda item, provide guidance on the overall direction of the work of UNECE for the forthcoming biennium.
- (iii) The **Steering Group** would provide its advice, particularly in terms of cross-sectoral approaches and intersectoral activities.
- (iv) The inputs provided by the above three groups of actors would be taken into account in the draft programme narratives prepared by the **secretariat**.
- (v) The draft programme narratives would be reviewed by the **Group of Experts on the Programme of Work**, on the basis of which it would submit its recommendations for endorsement by the Commission.
- (vi) The **Executive Secretary** would take these recommendations into consideration in the finalization of the programme narratives prior to its submission to United Nations Headquarters.

ANNEX II

Mechanism proposed by the Group of Experts on the Programme of Work to facilitate the implementation of technical cooperation priority setting

- each PSB, at its annual session, should inform the GEPW through the secretariat on the priority areas currently under-funded;
- on this basis, the role of the GEPW may be to: (a) prioritise those under-funded areas identified by the PSBs, if necessary; (b) to consider, in consultation with the Bureaux of PSBs concerned when necessary, areas to which any un-earmarked funds should be deployed, and to provide recommendations to the Executive Secretary accordingly; (c) ask the secretariat to submit project proposals in consultation with countries in the areas that the GEPW thinks are appropriate for funding;
- the secretariat would regularly inform the GEPW about project proposals, in particular those related to areas which are under-financed, in order to promote and facilitate their funding;
- the discussion at the GEPW may be used by its members to raise awareness in the capitals on under-funded technical cooperation activities;
- the GEPW will report to the Commission at the annual session on the results;
- the mechanism should not prevent countries or other relevant institutions from suggesting or funding specific projects related to UNECE core activities.