



Note by the Secretary-General

This note to the Council Oversight Group (COG) sets forth preliminary views, following consultation in the Coordination Committee, on the work program of the Group over the coming months. It focuses on three key issues: (1) the need to establish priorities for future work (2) a possible timetable for implementation of the near-term recommendations of the Group of Specialists (GoS) as adopted by the Council (2-6, 8-9, 13-15) and for revising the budget and (3) areas where the Secretariat requests guidance and clarification from the COG.

The next seven months will be among the most critical periods for the ITU. In that short space of time, many major events will take place that will shape the future role of ITU, including RA-03 and WRC-03 in June-July; Summit PrepCom-3 in September, Telecom 2003 in October and the Geneva phase of the World Summit on the Information Society (WSIS) on 10-12 December 2003. The Additional Session of Council 2003 will be held from 27-29 October, at which time the dates for the 2004 ordinary session will be decided.

The elected officials and the Secretariat are committed to timely and full implementation of the near-term recommendations adopted by the Council. In some cases, recommendations can be immediately implemented. In other cases, implementation of the near-term recommendations is a two-step process, whereby the issue must be studied first before steps can be taken to put into action the conclusions that are reached. In some instances, parts of the recommendation had already been implemented, as indicated in the report of the Secretary-General to Council (C03/42).

The Secretariat will also revise the draft budget for approval at the Additional Session of Council, following the principles and conditions agreed at the May session of Council (Annex 3 to Res. 1210). Under Res. 1210, the COG is charged by Council to oversee the preparation of a revised budget.

To ensure an effective and rational approach in fulfilling the near-term recommendations adopted by the Council, it is requested that the COG establish some work priorities for the coming period. Attached to this note is a proposed timetable for implementation of the 10 near-term recommendations and revision of the budget (**Annex A and Timeline for Preparation of Draft Budget 2004-2005**). It is requested that the COG review this proposal and indicate areas of priority concern, including those which should be given immediate attention for implementation.

The 2003 ordinary session of Council took many decisions during its final days, occasionally without benefit of fully coordinating the different Resolutions. It was recognized during Plenary that some work might be needed to clarify the decisions taken to avoid overlap in work and to provide clearer guidance to the Secretariat. At the same time, the list of principles and conditions that was intended for implementation of the budget on a provisional basis now must be adapted to the task of revising the budget.

Accordingly, the COG is asked to consider and clarify the matters set out in **Annex B**, which are an essential part in establishing the above timetables.

Yoshio UTSUMI
Secretary-General

ANNEX A

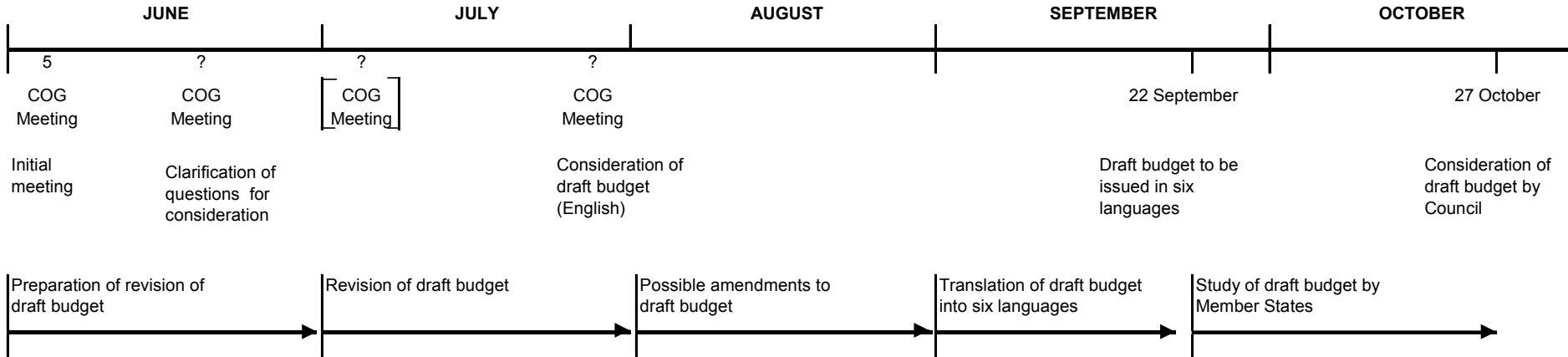
Draft Timetable

Proposed Date of Report Submission to COG

IMPLEMENTATION OF COUNCIL NEAR-TERM RECOMMENDATIONS (2-6, 8-9, 13-15)	COG OVERSIGHT OF BUDGET
<p>JUNE Clarify Council near-term recommendations</p>	<p>Clarify Council decisions on budget revision and budget revision process</p>
<p>JULY Enhance internal audit function 9 Functions of the SPU 13 Quarterly report on budget Progress reports on those parts of all recommendations that have already been implemented</p>	<p>Presentation of revised draft budget to COG, possibly including: updated plan to implement cost reductions, including staff reduction updated plan for staff reductions recomputing of reserve for debtor's account report on WSIS introduction to budget should include all ITU activities * projection of budget 2006-07</p>
<p>LATE AUGUST 2003</p>	<p>Submission of second revision of budget</p>
<p>NOVEMBER Use of information systems at ITU 8 Review of various functions to reduce duplication (partial report) 13 Quarterly report</p>	<p>1i Strategic Plan for ITU information systems</p>
<p>FEBRUARY 2004 3 Prioritization of Sector Activities Cost-accounting process 8 Review of various functions to reduce duplication (final report) 13 Quarterly report 14 Reorganization of Telecom along project lines 15 Audit of amounts ITU is charging TELECOM</p>	<p>1k report on clear billing procedure 1m Plan on use of six official languages 7 proposal for a new budget structure</p>

<p>Comment: This timetable is preliminary, as many of the suggested deadlines may vary depending on clarification concerning the nature of the recommendations, and in particular whether some of them have implications for the draft budget 2004-05. Dates are suggestive and take account of the schedule of meetings of ITU in 2003.</p> <p>The above deadlines are for submission, by the Secretariat to the COG, of the final implementation action report. Upon request, the Secretary-General will also provide quarterly progress reports to the COG on implementation of the near-term Recommendation (Res. 1210, Annex 3(5)).</p> <p>The work undertaken under Rec. 2 on amendments to the Financial Regulations will be reported directly to the Council Working Group established under Rec. 7 to address that issue. (Annex 4 to Res. 1210).</p>	<p>Comment: The timetable for revision of the budget will depend on (1) the deadline set for its distribution to Council Member States and (2) the nature and extent of the revisions to the budget that COG request, in particular the format and presentation. Further, the Principles and Conditions in Annex 3 to Res. 1210 were designed to accompany the provisional adoption of the budget. Since the budget was not adopted, some of the items in this annex may not be relevant in revising the draft budget.</p> <p>Note: Citations are to Annex 3 of Res. 1210.</p>
---	--

TIMELINE FOR PREPARATION OF DRAFT BUDGET 2004-2005



ANNEX B

Questions For Clarification To The Council Oversight Group

General

1. The Council decisions concerning GoS and COG have significant budget implications. Each group is to be assigned a member of the Secretariat which, given the nature of the work, requires a professional. The Additional session of Council will cost between 300-500,000 SFR. Implementation of the near-term recommendations will also have resource implications, and Rec. 6 already mentions the use of outside experts. In light of the present budget situation, the GoS should determine how these resource requirements can be met, e.g. should the reserve account be used or should some other activities be reduced?
2. Many of the recommendations call for a study and report, either to COG or to the Council. To ensure the efficiency and utility of these reports, COG should adopt a common reporting format. This applies, in particular, to Recs. 3, 4, 6, 8, 9, 13 and 14 and to items 1a, 1b, 1i and 5 in Annex 3 to Res. 1210. This format could include a resource impact statement for all reports prepared.

Recommendation 3: Recommendation regarding prioritization of Sector activities

1. This recommendation deals with priorities, which are often set by sector advisory groups in the process of elaborating Operational Plans. This would suggest that the report on priorities would not be applied to the budget for 2004-05, but only to its execution. The COG is requested to confirm this point.
2. How should the work on this topic be divided between the COG and the Group to be chaired by Mr. Gracie which is responsible for Resolution 107?
3. In addition to setting priorities within Sectors, the more difficult issue is how to agree relative priorities between Sectors. How should this be handled?

Recommendation 4: Recommendation that the cost-accounting process should enable the cost of individual ITU projects and activities to be identifiable and auditable.

It is clear from the report of the GoS and from the discussion in Council that the changes are necessary, but it would be helpful if the Council Oversight Group could clarify the extent of the required changes:

1. Does the COG wish to review the current list of activities that are used as the basis for cost allocation? Should there be more or fewer activities? (48 activities are currently listed in the cost analysis section, shown in section V of the draft budget).
2. Does the COG wish to review the current types and usage of allocation-drivers? (the allocation-drivers currently include cost, post-count, production volume, work months, etc).
3. Does the COG wish to review the definition of different types of costs? (costs are broken down into Direct and Indirect costs, with subdivisions of each).
4. Should time-recording be extended? (Time-recording is currently applied for the direct costs of satellite cost recovery and for other activities undertaken under cost recovery, as shown in para. E6. Other activities are subject only to a time-survey, which involves an estimation of time spent on each activity during the course of a year).
5. How should penalties for over-spending be applied? (At present, costs are re-estimated on the basis of actual costs at the end of a period and these new costs are reapplied to future periods. This can cause big fluctuations between forecast and actuals, with no penalties applied to activities that exceed the allocated budget).
6. What level of detail is required in the cost analysis? (much more data is available than was presented in the draft budget, but there may be a need to be selective).
7. What is the ultimate purpose of cost allocation studies? (A high percentage of the costs are of a fixed nature, such as buildings, pensions, security etc. If the purpose of cost allocation is to identify savings, it may be better to exclude non-staff fixed costs from the cost analysis).

Recommendation 6: Recommendation to review the current use of information systems in ITU to review the current use of information systems in ITU.

There is significant overlap in the various instructions concerning information systems given by Council; there are also some differences, and the ensemble may lead to conflicting priorities in carrying out the different instructions. COG's guidance is requested in setting priorities.

1. The Finance Committee of Council asked that the Secretary-General's full attention be brought to bear on the rapid implementation of all the External Auditor's recommendations, the first priority being the reorganization of the Information Services Department (Doc C03/71 § 5.1.2).
2. The essential action mandated by Recommendation 6 is "The Council instructs the Secretary-General to review and report to the Council Standing Committee on Finance concerning the Information Systems (IS) Department, including its organization, operation and management, the level of its expenses and quality of its services," as well as other points. All the areas identified are already examined in the report of the External Auditor (Doc. C03/21). Will there be a benefit in doing a near-term report that would duplicate that of the External Auditor, or should the Recommendation 6 review and report follow implementation of most of the External Auditor's recommendations, e.g., the report would be prepared for Council 2004?
3. Developing a strategic plan for the ITU information systems is one of the priority recommendations of the External Auditor. It is also item 1.i in the "List of Conditions and Principles" (Annex 3 to Res. 1210). Clarification is requested that this understanding is correct.

Recommendation 8: Recommendation that various functions be reviewed to reduce duplication

1. For each review, to be undertaken by the Secretariat, the scope of the study is the organization of work in the Secretariat for the activities in question. The study objective will be to propose Secretariat structures that will be more efficient and effective. Should any other objectives be taken into account? What criteria should be taken into account?

2. Among the five points described in Recommendation 8, are any to be studied as a priority?

Recommendation 9: Recommendation to clearly establish the functions of the Strategy and Policy Unit (SPU)

1. The GoS report refers to the activities of operations analysis. Should these be undertaken by SPU, by the internal audit department or by some other unit?

Recommendation 13: Quarterly Reports by Secretary-General to Council

1. The estimated length of the report and the languages in which it should be produced need to be determined to evaluate the workload involved in such reports and the costs.

2. This recommendation contains four points upon which the Secretary-General is asked to report on a quarterly basis to the Council. While point (d) clearly refers to the budget, the meaning of points (a-c) require clarification from the COG which are less clear as to whether they refer to the budget or to some other document. For example, what is meant by "project milestones and deadlines" in point (a)?

Recommendation 15: Recommendation to audit the amounts ITU is charging TELECOM

The GoS report invites an external audit of the cost methodology applied to TELECOM and an annual examination of TELECOM's administrative budget. This requires some clarifications:

1. In view of Recommendation 14 on project accounting, should the budget presented for approval by Council be on the basis of project costs, or for the financial year (bearing in mind that projects costs may span for one week, one month or several years)?
2. TELECOM is currently subject to two forms of cost recovery, covering both direct provision of services and indirect cost allocation (at 60%). Should only one form of cost recovery continue in the future or should both co-exist?
3. What is the appropriate level of cost recovery to be applied to TELECOM? (In the draft 2004-05 budget, a figure of 60 per cent cost recovery is applied, in accordance with PP decisions, but the WGR had proposed a figure of 100 per cent).

BUDGET REVISION

The COG should clarify the timetable for preparing the revised budget and confirm the recommendation of the GoS to follow Decision 5 of PP-02, which asks that the budget be submitted no less than 5 weeks before the Council convenes.

List of Conditions and Principles (Annex 3 to Res. 1210)

Personnel

Item 1 a. When does the COG plan to give its approval to begin "immediate implementation of this plan"? Let's hope that we can continue with a gradual staff reduction over time. How detailed should the staff reduction plan be?

Item 1 b. What is meant by "a staff reduction plan that can be executed in stages"? What kind of stages and timing does the COG see?

Item 1 c. Did the Council mean that incentives should be paid to staff to take early retirement otherwise this item has no meaning. If yes, does the COG wish to develop a general incentive programme or an individualized one?

Item 8. Renewal of short-term and fixed-term contracts. According to the contract policy most fixed-term appointments should be extended by 2 years. Will it be possible to go beyond the end of 2004 in these cases? The maximum renewal of short-term contracts is 11 months. The limit of end 2004 does not affect these renewals, but can ITU go beyond end 2003 since we do not yet have an approved budget for 2004? This assumes that we cannot convert fixed-term appointments into permanent ones in accordance with the contracts policy until the budget is approved. This should be confirmed by the COG.

Information Services

Item 1 i. It should be confirmed that this provision refers to the overall IT strategic plan, and not to the action plan for implementation of the External Auditor's recommendations. It should be noted that Council also called for an action plan for implementation of the External Auditor's recommendations.

TELECOM

Item 1 n.

1. It is understood that information on the TELECOM unit will be separate from the 2004-2005 ITU draft budget. Could it be confirmed whether this information should be in a separate document or as an annex to the budget document?
2. Spending by exhibition and by conference: does the word "conference" mean "forum" in that context?
3. Should the administrative and marketing expenditure, as well as other indirect costs, be distributed between the "exhibition" and "forum" activities, and if so which allocation driver should be used (time, costs...)?
4. Some important cost parameters are not known in advance, and at least not until the host country agreement has been signed. What budgetary assumptions should be made for such cases?



INTERNATIONAL TELECOMMUNICATION UNION

COUNCIL OVERSIGHT GROUP (COG)

Document COG-03/7-E

10 July 2003

English only

PARIS — THIRD MEETING — (16 JULY 2003)

PROGRESS REPORT ON IMPLEMENTATION OF NEAR-TERM COUNCIL 2003 RECOMMENDATIONS

Note by the Secretariat

This Note provides a brief status report of the steps taken by the Secretariat to implement the near-term Recommendations that Council adopted in Res. 1210 based upon the report of the Group of Specialists.

To implement the Recommendations, the Coordination Committee (COCO) approved a work plan in which a focal point is assigned to each of the Recommendations. A similar approach was adopted with respect to the work requirements set forth in Annex 3 to Council Res. 1210.

The role of the focal point is to: (1) assemble a project team from the General Secretariat and the Bureaux to work on the Recommendation (2) prepare a detailed work plan showing how the Recommendation will be studied and implemented, with staff and resource implications (3) provide periodic written progress reports to the COG Secretary (4) prepare and submit a report to the COCO by the deadline, where required, and (5) prepare the final report for the COG by the deadline.

Focal points were designated in mid-May and they submitted their work plans by end May 2003.

The Annex presents the current status of work on the individual Recommendations and of the reports required in Annex 3 to Res. 1210, as well as a timetable for reporting to the COCO and the COG, as appropriate.

Completed matters are shaded in the Annex.

ANNEX

NEAR-TERM COUNCIL RECOMMENDATIONS (Res. 1210)

2 Draft Revision to Financial Regulations on Preparation and Review of the Budget

Focal Point: C. Sánchez, Chief, a.i., Finance Department

Comment: This work will be reported directly to the Working Group established by Council to be chaired by Bruce Gracie of Canada.

3 Prioritization of Sector Activities

Focal Points: M. Giroux, Deputy-Director, BR;
R. Scholl, Deputy-Director, TSB;
K. Mirski, Deputy-Director, BDT.

Report to COCO: late Nov. 2003

Report to COG: early 2004

Comment: This report will need to take account of the discussions in the sector advisory groups. It has been noted by the project team that many of the priorities in the sector work are set by the Membership.

4 Cost-Accounting Process to enable identification and auditing of individual projects and activities

Focal Point: J.P. Lovato, BR

Report to COCO: October 2003

Report to COG: early 2004

Comment: Work is underway to examine the implication of the existing Financial Regulations for this Recommendation.

5 Enhance internal audit functions

Focal point: Internal auditor

Comment: An interview panel has been established for this position and will start interviewing short-listed candidates on in early July 2003.

6 Current Use of Information Systems at ITU

Focal Point: Ba Dang, Head of IS Department

Report to COCO: October 2003

Report to COG: Fall 2003

Comment: An oral report on this Recommendation was made at the second COG meeting. A preliminary written report will be provided at the 16 July 2003 meeting which will also show the link to the Recommendations already made by the External Auditor.

8 Review of Various Functions to Reduce Duplication

8.1 Library, Archives and Reference services

Focal Point: A. Pitt, Head, a.i. Conference Services
Report to COCO: Sept. 2003
Report to COG: Fall 2003

Comment: The project team has already met to organize its work and allocate tasks. An interim report is planned for end July.

8.2 Functions of Corporate Communications, publications, documentation

Focal Point: A. Radjy, Head, Common Services
Report to COCO: Nov. 2003
Report to COG: early 2004

Comment: Phase one of the project is underway to send a questionnaire to the concerned units to identify their functions and staffing levels.

8.3 Cost of Travel Processes

Focal Point: D. Goossen, Chief, Personnel Department
Report to COG: Fall 2003

Comment: A small working group has been set-up and will start meeting this month.

8.4 Management of Facilities and Building

Focal Point: A. Radjy, Head, Common Services
Report to COCO: Sept. 2003
Report to COG: Fall 2003

Comment: It is planned to reconstitute the Building Committee to examine this Recommendation.

8.5 Allocation of more costs for services to users

Focal Point: J.P. Lovato, BR
Report to COCO: Nov. 2003
Report to COG: Early 2004

9 Functions of SPU

Focal Point: Tim Kelly, Head, SPU
Report to COCO: 7 July 2003
Report to COG: 16 July 2003

Comment: This report was considered at the 7 July meeting of the COCO and will then be revised and sent to the COG.

13 SG Report to Council every 3 months

Focal Points: Tim Kelly, Head, SPU;
C. Sánchez, Chief. a.i., Finance Department
Report to COCO: July 2003 (approval of report format)

Comment: The COCO has been examining the budget situation for 2003 at its past few meetings. To implement this Recommendation, it is planned to prepare a quarterly budget statement, a project report on quarterly changes and a report to the 2004 Council.

14 Reorganize TELECOM along Project Lines

Focal Point: Tom Dahl-Hansen, TELECOM
Report to COCO: Fall 2003
Report to COG: Early 2004

15.1 External Audit of TELECOM Costing Methodology

Focal Point: Internal Auditor

Comment: At its second meeting, COG requested priority attention to this matter. Secretary-General will, in July, send written request to External Auditor to perform this audit along with proposed terms of reference.

15.2 Council Approval of TELECOM Administrative Budget

Focal Point: Tom Dahl-Hansen, TELECOM

Comment: Draft guidelines for the TELECOM administrative budget will be presented to COG at its 16 July 2003 meeting.

**LIST OF PRINCIPLES AND CONDITIONS TO REVISE BUDGET
(Res. 1210; Annex 3)**

1a Cost Reduction Plan

Focal Point: C. Sánchez, Chief. a.i., Finance Department
Report to COCO: 19 June 2003
Report to COG: 24 June 2003

Comment: COG reviewed and noted this report at its second meeting.

1b Staff Reduction Plan

Focal Point: D. Goossen, Chief, Personnel Department
Report to COCO: 13 June 2003
Report to COG: 24 June 2003

Comment: COG reviewed and noted this report at its second meeting.

1i Strategic Plan on Information System

Focal Point: Ba Dang, Head of IS Department
Report to COCO: Oct. 2003
Report to COG: Fall 2004

Comment: An oral report on this Recommendation was made at the second COG meeting. A preliminary written report will be provided at the 16 July meeting.

1k Clear billing procedures

Focal Point: C. Sánchez, Chief, a.i., Finance Department
Report to COCO: Nov. 2003
Report to COG: Early 2004

1l Report on WSIS Finances

Focal Point: P. Capitaine, Head, External Affairs Unit
Report to COG: September 2003

Comment: A first draft of the report has been prepared and is under review.

1m Use of Languages

Focal Point: A. Pitt, Head, a.i. Conference Services
Report to COCO: Nov. 2003
Report to COG: Early 2004

Comment: Consultations have begun to develop a report outline and framework and to seek inputs.

1n Presentation of new Budget Format

Focal Point: C. Sánchez, Chief a.i., Finance Department

Report to COG: 24 June 2003

Comment: COG considered a document presenting options for the presentation of the revised budget at its second meeting and members were asked to comment by 27 June 2003 on the options. A new format for the budget will be presented to the 16 July meeting.

1n Financial implications of SPU involvement in Telecom

Focal Point: Tim Kelly, Head, SPU

Report to COCO: 7 July 2003

Report to COG: 16 July 2003

Comment: A report on the matter was considered by the COC at its 7 July meeting and will be forwarded to the COG.

• **Projection of budget 2006-07**

Focal Point: C. Sánchez, Chief a.i., Finance Department



INTERNATIONAL TELECOMMUNICATION UNION

COUNCIL OVERSIGHT GROUP (COG)

Document COG-04/4-E

10 September 2003

English only

GENEVA — FOURTH MEETING — (17 SEPTEMBER 2003)

Report by the Secretary-General

ITU NEAR TERM RECOMMENDATIONS

I. INTRODUCTION

The 2003 Ordinary Session of Council adopted 10 near-term recommendations that had been proposed by the Group of Specialists (GoS) established under Decision 7 of the Marrakesh Plenipotentiary Conference (Res. 1210). That Resolution called on the Secretary-General, in consultation with the Coordination Committee, to implement with immediate effect R. 2, 4-6, 8-9 and 13-15. It requested the Bureau Directors to immediately implement R.3. In addition, in Annex 3 to Res. 1210, the Council requested the Secretariat to prepare 8 reports on matters related to the budget and finances of the Union.

The 2003 Council also established the Council Oversight Group (COG), one main purpose of which is to monitor the implementation of the near-term recommendations. The Chairman of Council chairs the COG. The terms of reference of the COG state that the near-term recommendation should be implemented by the time Council 2004 meets, or earlier if possible (Res. 1210, Annex 2). The COG has held four physical meetings since the May session of Council: 5 June, 24 June, 16 July (Paris) and 17 September. Summary of the Decisions of each meeting have been posted on the COG website and circulated to Member States.¹

Immediately following the conclusion of the May 2003 Council, the Secretariat developed a plan for the implementation of the near-term recommendations, as well as for preparation of the 8 reports required under Annex 3 to Res. 1210 concerning principles and conditions for the draft budget 2004-05. This Plan and timetable was approved by the Coordination Committee (CoCo) at its meeting on 29 May 2003 (see Annex A, distributed to the COG at its first meeting).

The Plan focused on the need to establish priorities for the work and also established a timetable for reporting to the COG and to the Council on the action taken. The Plan reflected the commitment of the elected officials for the timely and full implementation of the near-term recommendations. The timetable proposed a staggered set of deadlines, recognizing that some of the recommendations could be immediately implemented, while others called for further study and analysis to determine the most appropriate action. As noted by the Secretary-General in his report to Council (C03/42) elements of some of the near-term recommendations had already been implemented. The Plan adopted by the Coordination Committee was submitted to the first meeting of the COG on 5 June 2003 and was supported.

¹ The members of the COG are: Brazil; United States; Portugal; Switzerland; Kenya; Senegal; Bulgaria; Russia; Iran and Korea.

To implement the recommendations, the Coordination Committee assigned a focal point for each of the 10 near-term recommendations. A similar approach was adopted with respect to the work requirements set forth in Annex 3 to Council Res. 1210.

The role of the focal point is to: (1) assemble a project team from the General Secretariat and the Bureaux to work on the recommendation or report (2) prepare a detailed work plan showing how the recommendation will be studied and implemented, with staff and resource implications (3) provide periodic written progress reports to the COG Secretary (4) prepare and submit a report to the CoCo by the deadline, where required, and (5) prepare the final report for the COG by the deadline. Focal points were designated in mid-May and they submitted their work plans by end May 2003.

The Secretariat provided an interim progress report on implementation of all the near-term recommendations to the COG at its third meeting on 16 July in Paris. In addition, reports on specific recommendations have been provided to COG meetings. As a matter of priority, the COG has emphasized the need for rapid action on near-term recommendations concerning TELECOM (R.14-15) and the Information Services (IS) Department (R.6).

II. ACTIONS TO DATE

This section summarizes the actions already taken by the Secretariat to fulfill the requests of the Council as expressed in Res. 1210. A more complete description of actions taken with respect to each near-term recommendation and the reporting requirements in Annex 3 are set forth in Annex B.

Fully implemented

The following near-term recommendations have been fully implemented through final reports submitted to COG and /or the additional session of Council:

- R.9 (function and responsibilities of SPU)
- R.13 (quarterly report to Council)
- R. 15.2 (TELECOM administrative budget)

Work is well advanced to implement R.2 (modifications to the Financial Regulations on budget preparations) and on R. 5 (internal audit function), namely through recruitment of an internal auditor. The final report on prioritization of sector activities (R.3) awaits the fall meetings of the sector advisory groups.

Concerning the reports required under Annex 3 to Res. 1210, the following subsections have been fully implemented through the providing of final reports to the COG and/or Additional Session of Council:

- 1a (cost reduction plan)
- 1b (staff reduction plan)
- 1l (WSIS Finances)
- 1n (new budget format) and
- 1n (Financial Implications of SPU involvement in TELECOM)

Partially implemented

Preliminary reports have been submitted to COG on:

- R. 6 (IS Department)
- R.14 (TELECOM re-organization)
- R.15.1 (External Audit of TELCOM cost methodology)

Preliminary status reports on R.8 (review of Secretariat functions) and 1m (use of languages) are set forth in Annex B.

ANNEX A

(distributed to COG at its first meeting)

ANNEX B

NEAR-TERM COUNCIL RECOMMENDATIONS (Res. 1210)

R.2 Process for Preparation and Review of Budget

Focal Point: Chief, Finance Department

Deadline: The Finance Department will provide its proposed modifications to the financial regulations directly to the Council Working Group chaired by Mr. Bruce Gracie, which will hold its first meeting on 2-3 October 2003.

R.3 Prioritization of Sector Activities

Focal Points: Deputy-Director, BR;
Deputy-Director, TSB;
Deputy-Director, BDT.

Deadline: Report to CoCo by late Nov. 2003 (Note: this deadline accommodates scheduled meetings of Sector Advisory groups.)

ITU-R

1. Objectives:

- 1.1. To meet the goals and objectives set in the ITU Strategic Plan for the ITU-R Sector.
- 1.2. To carry-out the activities mandated by the Radio Regulations

2. Work Plan

- 2.1. The ITU-R was the first Sector to adopt a two-year Operational Plan, which was endorsed by the Radiocommunication Advisory Group (RAG) for 2002-2003.
- 2.2. ITU-R is currently developing its four-year Operational Plan for 2004-2007.
- 2.3. Consultation of the RAG will take place during its meeting in November 2004.

3. Preliminary views

As most of the work undertaken by the BR is mandated by the Radio Regulations, BR is not in a position to propose prioritization that would foresee low priority/deletion of some of that work. The main areas of activity are:

1. Processing of Terrestrial and Space notices (workload dictated by the number of notices received from Administrations). This includes development of specialized technical and administrative software as well as the maintenance of the ITU-R website data.
2. Study Group meetings (decided by Members within available budget).
3. Treatment of Harmful Interference Reports.
4. Conference preparation, both WRC and RRC (difficult to reduce, ever increasing).
5. Radiocommunication seminars (within available time and budget).
6. Regulatory publications, as defined in the Radio Regulations.
7. Other publications on a cost recovery basis.

4. Operational Plan 2004-2007

The bi-annual ITU-R Operational Plan has been reviewed by the RAG before its implementation so that Member States and Sector Members had the opportunity to provide advice to the Director on prioritization. This Operational Plan is already presented on an activity basis. Due to budgetary constraints, the next RAG meeting will be held only in November 2004. Consequently, the Operational Plan for 2004-2007 will need to be implemented on a temporary basis until the ITU-R membership can comment on it.

ITU-T

TSB will complete the ITU-T Operational Plan for 2004 and 2005 by 5 September 2003. The document will be posted on the TSAG-website and be discussed by TSAG at its meeting from 10-15 November 2003. In addition, TSB is preparing various input documents for the November TSAG meeting that reflect on the achievements of 2003 and outline the objectives for 2004. The suggestions of TSAG will be incorporated, and the Operational Plan for 2004 and 2005 will be submitted to Council.

ITU-D

1. Objectives

- 1.1. To meet the goals and objectives set in the ITU-D strategic plan and the Istanbul Action Plan (IsAP).
- 1.2. To prioritize/ rationalize the actions requested by the membership within the priority areas defined in the IsAP and the ITU-D strategic plan.
- 1.3. The goals and objectives as well as the priority areas of the ITU-D for the period 2004-2007 have been approved by WTDC-02 and PP-02. Following Council Resolution 1210, and in close collaboration with TDAG, measures have already been taken to reduce costs and maximize the benefits of ITU-D activities for the membership prioritizing the concrete actions according to its urgent needs.

2. Work Plan

- 2.1. Elaboration of Guidelines for the preparation of the ITU-D four year Operational plan 2004-2007 (ITU-D OP 04-07) – June 2003.
- 2.2. Prioritization of the Actions in ITU-D Operational Plan for 2003 – July 2003.
- 2.3. Consultation of ITU-D membership about the concrete priorities in the elaboration of ITU-D OP 04-07 – July 2003.
- 2.4. Preparation of the ITU-D OP 04-07 – September 2003.
- 2.5. Consultation with TDAG on the ITU-D OP 04-07 (especially for year 2004) – January 2004.
- 2.6. Regular updating of the Guidelines in consultation with the TDAG – yearly
- 2.7. Regular updating of the 4 year ITU-D OP 04-07 in consultation with the TDAG and the ITU-D membership - yearly

3. Work done so far

The Guidelines for the preparation of the ITU-D OP 04-07 were elaborated, discussed and sent to all BDT “P “ staff. The Guidelines emphasize the project approach. The projects are aiming at the goals of the ITU-D Strategic Plan, thus combining the objectives of Istanbul Action Plan (IsAP) Programmes and Initiatives and the PP-02 decisions. They should have tangible, measurable and achievable results. The projects should be prepared in consultation with the developing countries and should reflect the most urgent (priority) needs of the countries in the framework of the IsAP

Programmes and Initiatives. Separate Actions also can be proposed in order to complete the achievement of the expected results.

- 3.1. The implementation of the ITU-D Operational Plan for 2003 was thoroughly evaluated by TDAG and the subsequent recommendations adopted by this body were carefully analyzed. In consultation with the recipient countries, a number of planned actions were identified and cancelled or postponed because they were not considered as top priorities. This resulted in savings which amount to more than 2 million CHF.
- 3.2. The ITU Regional Offices have been requested to check with the countries priority activities for the next 4 years period. As an example, Africa Regional Office sent a special questionnaire to all countries in order to match priority areas defined in the IsAP and the ITU-D strategic plan with the most urgent needs of the countries. The answers received by Africa RO helped in preparing accurate proposals for the next Operational plan. In addition the regional telecommunication organizations were consulted. For example in Americas a proposal for a large project was jointly prepared by ITU and CITELE.

R.4 Cost-Accounting Process

Focal Point: Chief, Finance Department

Deadline: Report to CoCo by October 2003

- 1 The Group of Specialists proposes that a consulting firm be recruited to assist the ITU in implementing Recommendation. 4.
- 2 The terms of reference which could be used should be established by the Group of Specialists and ITU as a basis for an international call for bids.
- 3 In the terms of reference, special consideration should be given to the financial system currently in use in ITU, particularly the SAP system.
- 4 The Finance Department is requesting the participation of the Sectors and the IS Department to elaborate a first report to be submitted mid-October to the Coordination Committee.

R.5 Enhance internal audit functions

Focal point: Chief, Personnel Department

An APB was held on 29 May 2003 and a short list established to recruit an internal auditor. A first round of interviews with the seven short-listed candidates, some by telephone and some in person, was held during July. A second round of interviews in person with five remaining candidates with the Secretary-General and members of the Coordination Committee will be held early September. An appointment may be made before end September.

R.6 Current Use of Information Systems at ITU

Focal Point: Chief, IS Department

Deadline: Report to CoCo by October 2003

- 1 The Chief of the IS Department provided oral and written status reports to the COG at its 2nd and 3rd meetings. These reports informed on the recommendation that had been made by the

External Auditor in 2001 as well as actions taken to date and provided some comparison with IT spending at comparable organizations. To better compare ITU's ICT expenditures with those of other organizations, the Deputy Secretary-General sent a questionnaire requesting information to other agencies by 15 September 2003. The replies should be compiled and available by early October.

2 The new organization for the IS Department is detailed in Service Order 03/14, effective 1 September 2003. Priority would be given to implementation of projects including HRM, storage capacity and SAP usage.

3 The Strategic Plan will include a detailed description of the status of ICT technologies at ITU. Its extended outline may be made available to COG by early October. The Strategic Plan itself is being worked on with a wide consultation within the IS Department, and with the participation of ITU Sectors and User departments. The Plan will be refined with an external consultant.

R.8 Review of Various Functions to Reduce Duplication

R.8.1 Library, Archives and Reference services

Deadline: Report to CoCo by Sept. 2003

1) Working arrangements

The group on "Library and Archives services" was composed of representatives from the Common Services Department, the Conference Department, The General Secretariat Coordination Unit and the Telecommunication Standardization Bureau, namely: Ms. Kristine Clara, Ms. Claude Briand, Ms. Patricia Janin, Ms. Marie-Laure Schifferli, Ms. Evelyne Metz, Mr. Dimonique Pittet, Mr. Thierry Berrod, Mr. Serge Dubois, Mr. Nelson Verastegui.

This group met three times; on the 24th of June, the 8th of July and the 26th of August. It is planned to have its final report will be available by the end of September 2003.

2) Overall considerations

As far as the tasks carried out by the Reference Service of the Conference Department and those of the Library Service of the Common Services Department are concerned, the study shows there is no duplication. Furthermore, it has been confirmed that continuation of both services is very important.

Although the timing of this study made the task difficult due to multiple priority tasks throughout the secretariat, the study proved to be beneficial in that it has identified potential actions to improve effectiveness of the tasks in question.

The above-mentioned final report will include a preliminary indication of some improvements and enhanced effectiveness that the study has identified.

R.8.2 Functions of Corporate Communications, publications, documentation

Focal Point: Chief, Common Services

Deadline: Report to CoCo by Nov. 2003

1. Work plan summary

- Study objective: elimination of any duplication of work and of inefficient use of resources.
- Scope of functions / activities: the functions involving corporate communications, publications, documentation, document control and marketing.
- The study comprises three phases. Phase 0 is to form a Task Management Team (TMT).
- Objective of Phase I is to document the basic facts regarding each function under review. To do this, design and distribute two questionnaires, one to the manager of each service-provider unit concerned, and the second to the respective users concerned (within the secretariat only). The *end*-users who are outside the secretariat (e.g. customers of ITU publications) were excluded from the scope of the study due to lack of time and resources.
- Objective of phase II is to identify and evaluate concrete improvements for increased effectiveness, both relating to working methods and tools and relating to organisational changes.

2. Actions to date

TMT was constituted. After review by TMT, the first questionnaire to service provider units was distributed by Email to the service-providers concerned. The second questionnaire to users has been designed based on the same criteria and methodology as the first questionnaire. It is planned to distribute it after review by TMT in September 2003.

3. Preliminary recommendations

There are currently two QuickPub teams handling the publication of ITU-T Recommendations in two different departments of the General Secretariat. Integration of both teams within the Conferences Department is part of the draft budget.

It is too early for other suggestions or recommendations.

4. Financial implications

In spite of the usage of Email and electronic methods, this complex study is very effort intensive. Budgetary implications of the final recommendations will be part of the final report to the council in 2004.

R.8.3 Cost of Travel Processes

Focal Point: Chief, Personnel Department

Deadline: Report to COG by Oct. 2003

A first meeting of a small working group consisting of members of the Personnel and Finance Departments has been held on 30 July. A second meeting will be held early September and a report will be submitted towards the end of September.

R.8.4 Management of Facilities and Building

Focal Point: Chief, Common Services

Deadline: Report to COCO by Sept. 2003

1. Work plan summary

- Study objective: how to ensure that the management of facilities and buildings is both efficient and effective.
- Scope of activities: a) major works for the maintenance of facilities and buildings; and (b) management and allocation of office space. Security-related functions are considered outside the scope of this study. It is proposed to recreate the Building Committee, with a revised variable membership to include one bureau representative on a rotation basis. The Task Management Team is established and will prepare a revised service order on the mandate and composition of the Building Committee.

2. Actions to date

There have been two meetings of the TMT to date. Part (a) of the scope of the study has been analysed, and an analytical report for COCO is under preparation for September 2003.

3. Preliminary recommendations

It is too early for any suggestions or recommendations.

R.8.5 Allocation of more costs for services to users

Focal Point: Chief, Finance Department

Deadline: Report to CoCo by Nov. 2003

This Recommendation being closely linked to Recommendation 4, it will be considered at the same time.

R.9 Functions and Responsibility of SPU

Focal Point: Chief, SPU

Deadline: Report to CoCo and COG done in July 2003

A report describing the history and function of the SPU and proposing a mission statement for the Unit was considered and revised by the CoCo on 7 July 2003 and reviewed by the COG on 16 July 2003. COG members emphasized the need to avoid duplication between the work of the sectors and the function of the SPU. The document is appended to this report.

R.13 Report to Council every 3 months

Focal Points: Chiefs, SPU and Finance Department

The draft format of this report was approved by the CoCo in early September 2003 and a first report will be provided to the Additional session of Council.

R.14 Reorganize TELECOM along Project Lines

Focal Point: Business Manager, TELECOM

Deadline: Report to CoCo by November 2003.

Team

1 A project team has been established, including staff from TELECOM, SPU, Staff Council, Finance and Personnel. The team has held four meetings.

Estimated Timetable:

August 2003:	Revise core budget for TELECOM and cost recovery and other direct costs
September 2003:	Presentation to TMT and TELECOM Staff
September 2003:	Discussion of scenarios for reorganization of TELECOM - taking into account potential consequences of staff cuts including those of non- TELECOM staff paid by TELECOM in the context of the reduced budgets
October 2003:	Presentation to TMT and TELECOM staff
November 2003:	Report to COCO
December 2003:	Revision based on comments from COCO
January 2004:	Presentation of revised proposal to SG
February 2004:	Report to COG
March-May 2004:	Prepare potential reorganization agreed by COG
June 2004:	Implementation of potential reorganization agreed by COG

2 In an effort to use TELECOM resources more effectively and improve efficiency, the Working Group for Recommendation 14 is preparing a proposal for the reorganization of TELECOM.

3 Obviously central to successful ITU TELECOM operations over the next two years is the budget. WG14 has concluded that the number of staff, post-reorganization, should depend on the budgets for the events. The first and most urgent task, therefore for the Working Group was to establish a sustainable TELECOM budget for 2004-2005, which must be presented to the additional Council in October 2003 (see Resolution 1210, Annex 3, recommendation n).

4 The Working Group analyzed the income from earlier events in the periods 1999-2000, 2001-2002, and the most recent budget of 2002-2003. Based on this information and the experience of the Working Group, an estimate of potential income for 2004-2005 was determined. As a result of discussions during ITU Council in May, the Secretary General proposed that the frequency of the future TELECOM events be once again discussed at the next ITU TELECOM Board meeting, which will take place in October/November 2003.

5 ITU has projected income reduced by around 4% for the 2004-2005 draft budget, compared to the 2002-2003 budget.

6 ITU TELECOM, which is not a part of the regular ITU budget, expects to be hit harder than the ITU because the telecommunications industry has experienced a strong downturn in the market and is spending remarkably less on exhibitions and sponsorships. This downturn in the market is affecting telecommunications events worldwide.

7 For ITU TELECOM WORLD 2003, TELECOM has sold only approximately 37,500 m² of indoor ground level exhibition space, received cancellation fees for 2,500 m² and has gross area of approximately 5 000 m² in Telecom Village, compared with peak sales of 64 500 m² net sold space in 1999. For AFRICA 2001 and ASIA 2002 approximately 57% and 41% less space was sold than for the previous AFRICA and ASIA events. Despite signals of

the start of a recovery, income from ITU TELECOM events is expected to increase slowly and it will take considerable time to reach pre-1999 levels.

8 Naturally, to establish a sustainable budget for 2004-2005, expenditure levels must be reduced in proportion to the reduction in income foreseen for the smaller events in 2004-2005. Based on estimated lower income figures foreseen from smaller events in 2004-2005, core expenses should not exceed a ceiling of 19,8 million CHF for the budget period of 2004-2005. This would result in a reduction of 28% of the approved budget for 2002-2003 of 27.5 million CHF, and of approximately 10% over anticipated expenditure, 2002-2003. This budget reduction for 2004-2005 would mean a reduction of staff months from 1,347 for the 2002-2003 budget to around 1,075 for the 2004-2005 budget (20%). The staff cost estimates should decrease from a total of 16.7 million CHF for 2002-2003 to 12.8 million CHF for 2004-2005.

9 This reduction of core expenses will have a significant impact on how TELECOM is reorganized, how it operates, from whom it buys its services (in-sourcing/out-sourcing), and the level of services it is able to offer to ITU membership and TELECOM clients (-25%).

10 The Working Group will therefore begin to look into if and how TELECOM could be organized with reduced staff and whether or not this can be done without reducing the quality of services to its clients. We will identify which functions are essential to operate successfully in the future and which functions and tasks can be reduced, cut or outsourced. We will also review the non-TELECOM ITU services and staff that TELECOM pays for to determine which will be retained, which reduced and which eliminated in order for TELECOM to survive.

R.15.1 External Audit of TELECOM Costing Methodology

Focal Point: Internal Auditor

To implement this recommendation, the Secretary-General, following consultation with the COG, sent a letter to the Swiss External Auditors on 8 July 2003 requesting an audit of the TELECOM costing methodology and proposing Terms of Reference for the audit. On 30 July 2003, the Swiss auditor replied that it would not be able to conduct this audit by the deadline. Pursuant to this reply, the Secretary-General requested the external auditor to specify a period during which his office could undertake the study and a date at which it could be produced.

R.15.2 Council Approval of TELECOM Administrative Budget

Focal Point: Telecom Financial Officer

At its second meeting, the COG reviewed a secretariat report and proposed timetable for preparation of the TELECOM budget. The draft budget guidelines were submitted to the COG at its third meeting and revised on the basis of comments made by Committee members, including the need to itemize source of revenue. The administrative budget of TELECOM was submitted to the COG at its fourth meeting.

LIST OF PRINCIPLES AND CONDITIONS TO REVISE BUDGET (Res. 1210; Annex 3)

1a Cost Reduction Plan

Focal Point: Chief, Finance Department

Deadline: Done

This plan was submitted to the 2nd meeting of the COG for approval. The COG stressed that further cost reductions should be achieved through implementation of the Specialist recommendations.

1b Staff Reduction Plan

Focal Point: Chief, Personnel Department

Deadline: Done

The COG indicated that the staff reduction plan should be applied flexibly to minimize the impact on staff and should serve as a basis for budget calculations. Council should be made aware that the plan would result in a real decline in the quality of services in some areas and might hamper the ITU in adapting to the new environment.

1i Strategic Plan on Information System

See report under R.6.

1k Clear billing procedures

Focal Point: Chief, Finance Department

Deadline: Report to CoCo by Nov. 2003

These billing procedures should be established in collaboration with the Sectors and the service providers and should take into consideration the results of the Working Group on the review of the methodology applied for the satellite network filings.

A report will be prepared in November.

1l Report on WSIS Finances

Focal Point: Chief, Conference Department

Deadline: Done

This Report was submitted to the COG at its fourth meeting and is separately submitted to the Additional session of Council.

1m Use of Languages

Focal Point: Chief, Conference Department

Deadline: Report to CoCo by Nov. 2003

1. Pursuant to Resolution 115 (Marrakesh 2002) entitled “Use of the six official and working languages of the Union on an equal footing,” the ITU is to set the date of 1 January 2005 as the date by which all ITU work will be carried out in the six official and working languages of the Union on an equal footing. Pursuant to that resolution, a plan is required for the transition to the use of the six official and working languages on an equal footing in all of its spheres of activity, along with a concrete assessment of the funding that will be required to implement the plan; this should be in the form of a separate document. The full funding requirements necessary for the effective use, from 1 January 2005, of all six languages of the Union on an equal footing, should be listed as a separate item in the ITU budget. It is noted, however, pursuant to Resolution 115, that some work in ITU (for example working groups, study groups, and regional conferences) might not require the full use of all six languages.

2 Pursuant to Resolution 115 (Marrakesh, 2002) an ITU working group, on the establishment of a “transitional plan” concerning the implementation of this Resolution, has been created. This working group is composed of one representative of each Bureau and one representative of each Department of the General Secretariat. Also, inside the Conference Department, the six chiefs of the translation sections will be deeply involved in this work, in particular by supporting and advising the Chief of Conference Department, as appropriate.

3 Due to unforeseen delays in the appointment of the new Chief of Conference Department, the initial work programme has been delayed. Table below shows the revised work programme.

Date/Period	Activity	Responsibilities
Early September	Circulation of report framework for comments and approval	Focal point
End September	Solicit, coordinate and collate inputs for preparation of draft report	All sectors and General Secretariat
Early October	Prepare draft report	Focal point
Mid-October	Discussion and approval of draft report	All sectors and General Secretariat
Mid-November	Submission of final report to COG secretary	Focal point
End November	Submission of report to CoCo	

1n Presentation of new Budget Format

Focal Point: Chief, Finance Department

Deadline: Done

A revised budget format was submitted to the COG at its 2nd meeting.

1n Financial implications of SPU involvement in Telecom

[See report under R.9]



Report by the Secretariat

This brief report presents an update on steps taken to implement the near-term Council recommendations, focusing on actions since the last COG meeting.

RECENT ACTIONS

- R4 Cost-Accounting Process**
Focal Point: Chief, a.i., Finance Department

It is anticipated that the external consultant will study this matter.

- R8 Review of Various Functions to Reduce Duplication**

- 8.1 Library, Archives and Reference services**
Focal Point: Chief, Conference Services

The final report of the project team (attached) was presented to the Coordination Committee (CoCo) meeting on 20 October 2003, at which it was endorsed. The Committee noted that in UN agencies, the services of library/archives and of reference services are distinct and different in nature. The project team includes the responsible managers, as well as clients and users of these services.

- 8.3 Cost of Travel Processes**
Focal Point: Chief, Personnel Department

The final report of the project team (attached) was presented to the Coordination Committee at its meeting on 20 October 2003, at which it was endorsed. At the request of the CoCo, the report was further discussed with the Group of Specialists. This matter had been largely dealt with in a service order issued earlier this year.

- 8.4 Management of Facilities and Building**
Focal Point: Chief, Common Services

The report of the project team was presented to the Coordination Committee at its meeting on 20 October 2003. Although the CoCo appreciated the recommendation to reform the building committee to streamline management of buildings and facilities, it instructed the project team to significantly revise its report to identify additional and specific savings and efficiencies that could be achieved in this area. The revised report will be submitted to the Coordination Committee in the near future.

8.5 Allocation of more costs for services to users

Focal Point: Chief, a.i., Finance Department

It is anticipated that the external consultant will study this matter.

R.13 Quarterly Report

The first quarterly report was distributed during the Additional session of Council 2003. The report used the format approved by the Coordination Committee and reviewed by the COG.

R15.2 Council Approval of TELECOM Administrative Budget

Focal Point: Telecom Financial Officer

The administrative budget of TELECOM was submitted to the Additional Session of Council.

SUMMARY

This section provides an overview of the action already taken by the Secretariat to implement the requirements of Resolution 1210.

Implemented

The following near-term recommendations have been implemented through final reports submitted to COG and /or the additional session of Council:

R.2	Budget procedures
R. 8 (8.1, 8.3)	Efficiencies
R.9	SPU
R.13	Quarterly report
R.15.2	Telecom Budget

The External Consultant is expected to examine the following Recommendations:

R.4	Cost-accounting Process
R.6	Use of IT systems
1H	Accounting and reporting procedures
1K	Clear billing procedures

Concerning the reports required under Annex 3 of Res. 1210, the following subsections have been implemented through the providing of final reports to the COG and/or Additional Session of Council, or other actions:

1a	Cost reduction plan
1b	Staff reduction plan
1c	Early retirement plan
1e	Computation of reserve for debtors account
1l	WSIS Finances
1m	languages
1n	New budget format and financial Implications of SPU involvement in TELECOM.

Annexes: 2

ANNEX 1

Group formed to study part 1 of Recommendation 8 of the Group of Specialists, concerning the Library, Archive and Reference services

The group, whose members were Thierry Berrod, Claude Briand, Kristine Clara, Serge Dubois, Patricia Janin, Evelyne Metz, Dominique Pittet, Marie-Laure Schifferli and Nelson Verástegui, met on 24 June, 8 July and 26 August 2003. The group also carried on its work by electronic correspondence.

In its Resolution 1210 (C03/87, Annex 1, § 8) the ITU Council at its 2003 session instructed the Union to "[review the] functions of the Library and Archive Services, in light of the introduction of the Document Management System (DMS) project and the necessity of maintaining collections of documentation easily accessible by electronic means via Internet or through affiliated libraries. Duplication with the Reference Service (in the Department of Conferences) might be eliminated by consolidating its services under the aegis of the Library".

The Reference Service is currently part of the ongoing document production system. Its role is to assist and facilitate the work of translators, in particular by identifying text passages that have already been translated previously, to speed up translation and avoid re-translating existing text. The work of the Reference Service is assessed on the basis of the number of pages of translation saved, which gives a measure of its "output". The work activity of the reference clerks is defined in terms of translation work. Within the Conference Department they are involved directly in the production of publications which are sold as a product. The Reference Service works exclusively for the translators in the Conference Department, which is why the service is situated within that department.

The Library and Archives work primarily with documents that have already been published and distributed; their tasks include classifying, cataloguing, indexing and distributing those documents. In this way, the employees in these services perform the work of "documentalists", involving in-depth research for documentation in various forms (paper, electronic, audiovisual) depending on the requests received. The Library and Archives serve all ITU departments and units, providing information to all services that require it. Currently they are attached to the Common Services Department.

The terms of reference of our group did not include full examination of **all** the functions of the Library, Archives and Reference services, but only of the question whether it would be a reasonable and useful measure for ITU in the near future to incorporate the Reference Service in the Library.

There is no duplication between the work done by the Reference Service and that done by the Library and Archive Services; each has its own roles and functions.

Reference clerks spend, on average, less than one half-day per week filing documents. It should be noted that they do not catalogue or index documents, maintain a record of loans, or update documentary databases. The documents are filed in cabinets so that reference clerks and translators alike can have rapid access to them as required. Again, their filing work is not necessarily the same as the classification work done by the other service, although both are covered by the French term "classement".

In the future, with improved electronic document management, one might consider dispensing with the physical collections, as systematic, rapid and efficient retrieval and printing becomes possible for any document that might be required for translation purposes. This could reduce the workload of the reference clerks by some ten per cent, and would have the benefit of liberating resources for other tasks, such as in-depth research. It is not merely the possibility of viewing a document in electronic form that is required, but rather the capability to simultaneously view several documents that have been aligned in different languages.

Software tools intended to assist References should be thoroughly tested under real-life conditions before any decision is taken on whether, and in what manner, they can be considered to be useful. At the present time there is a degree of complementarity between the work done by the Library and Archive Services and that done by the Reference Service, allowing them to address the needs of their respective client groups efficiently and effectively. There is potential for further facilitating the work of the reference clerks if document originators can be convinced to routinely provide full background information on their documents.

The group has compared the advantages and disadvantages of the present situation with those that would come about from a solution in line with the GoS recommendation. In doing so, the References clients, i.e. translators, were polled for their views.

The comparison showed that the disadvantages outweighed the advantages, and the majority of the group concluded that consolidating the services was not a good idea; instead, the reference clerks should remain closely attached to the translators in the Conference Department. Neither were we able to find any precedent for an organization of the size of ITU to integrate its reference service within the central library. In all of the cases we examined, the reference clerks are closely associated with the translators, in terms of the organizational structure as well as their physical location.

ANNEX 2

Group formed to study part 3 of Recommendation 8 of the Group of Specialists,

1. Introduction

- 1.1. In annex 1 of Council Resolution 1210 containing the “Near-term recommendations of the Group of Specialists for immediate implementation” Recommendation 8.3 states the following:

“Recommendation that various functions be reviewed to reduce duplication: The travel processes carried by the Bureaux and the Personnel and Finance Departments”.

- 1.2. To address this issue a small working group was established composed of representatives of the Personnel and Finance Departments, which met once in July 2003, and another meeting was held together with the Controllers/Administrative Officers of the three Bureaux in September 2003.

2. Analysis

- 2.1. The Working Group, including the Controllers/Administrative Officers of the Bureaux noted that the revised delegation of authority and routing for travel authorizations, introduced by Service Order No 03/02 on 10 January 2003 and Office Memorandum No 07/03 (See Annexes 1 and 2) dated 25 March 2003, had largely met the concerns of the Group of Specialists. These revised procedures had already enhanced and simplified the travel authorization processes in the Union and eliminated duplications in the workflows.
- 2.2. The Working Group and the representatives of the Bureaux reviewed the current workflows in the travel authorization process (see Annexes 3, 4 and 5). Three different types of official travel were identified, i.e.;
- Mission travel
 - Other official travel
 - BDT Experts – Staff in the field.

The enlarged Working Group determined that there was no duplication in the workflows and concluded that there was no need to change the current processing of Travel Authorizations.

- 2.3. The Working Group and representatives of the Bureaux noted that should the budget control procedures be decentralized to the units initiating the travel authorizations, the processes and workflows might be further simplified and shortened. Such increased delegation of financial authority might be further studied in the framework of the revision of the budget structure and functioning of the Union.

3. Recommendation

- 3.1. Since the enlarged Working Group concluded that there was no duplication in the current travel processes based on the revised delegation of authority introduced by Service Order No 03/02 of 10 January 2003, it recommends that these processes not be revised and continued until further notice.
-



INTERNATIONAL TELECOMMUNICATION UNION

COUNCIL OVERSIGHT GROUP (COG)

Document COG-06/2-E

4 February 2004

English only

GENEVA — SIXTH MEETING — (10 February 2004)

REPORT BY THE SECRETARIAT

This report presents an update on steps taken to implement the near-term Council recommendations, focusing on actions taken in the last three months or expected shortly.

RECENT ACTIONS

R3 Recommendation regarding prioritization of Sector activities

Under the Secretariat work plan approved by the Coordination Committee (CoCo), a final report is due to the CoCo in February.

R5 Recommendation to enhance internal audit function

The newly appointed Internal Auditor, Mr. Frank Sap, assumed his functions in January of this year.

R6 Recommendation to review the current use of information systems in ITU

The draft strategic plan, including detailed status of current use of ICT technologies at ITU, is available at: http://www.itu.int/sg_is/. The External Consultant will also examine this matter.

R8 Review of Various Functions to Reduce Duplication

8.2 Functions of corporate communications, publications, and documentation document control and marketing

Under the Secretariat work plan approved by the Coordination Committee, a report is due to the CoCo by end March 2004. The questionnaire to the user units was distributed in the last quarter of 2003 and approximately 40% of the addressees replied. The analysis of these replies will commence in February 2004. It is expected that the report on this complex study may prove a useful input to the considerations of the external Consultant.

8.4 Management of Facilities and Building

Focal Point: Chief, Common Services

The report of the project team was presented to the Coordination Committee at its meeting on 20 October 2003. Although the CoCo appreciated the recommendation to reform the building committee to streamline management of buildings and facilities, it instructed the project team to significantly revise its report to identify additional and specific savings and efficiencies that could be achieved in this area. The revised report will be submitted to the Coordination Committee no later than March 2004.

R.14 Recommendation to reorganize TELECOM along project lines

To improve its management efficiency and the quality of its events, the Secretary-General has introduced dramatic changes to TELECOM operations, following the World Event in Geneva in October 2003. To streamline operations and reduce the cost structure, non-essential services have been reduced or eliminated. This has led to a sharp reduction in the permanent staff of TELECOM through redeployment of personnel to other areas of the Secretariat in the first month of 2004.

In January as well, a new Executive Manager was appointed, Mr. Fernando Lagraña. He is now engaged in an extensive reorganization of TELECOM to reflect the reduction in staff. The TELECOM Board has set up a Task Force to propose a new business plan.

These changes are designed to place TELECOM on a more rational and improved economic footing. These actions will impact on the recommendation to reorganize TELECOM along project lines. A full report will be made to the CoCo no later than end March 2004.

R.15.1 External Audit of amounts ITU is charging TELECOM

The audit is scheduled for 4-27 February 2004.

The Swiss External Auditor has requested payment for this audit. (A separate letter on this matter has been sent to COG members).

SUMMARY

This section provides an overview of the actions already taken by the Secretariat to implement the near-term recommendations.

Implemented

The following near-term recommendations have been implemented through final reports submitted to the Coordination Committee, COG and/or the additional session of Council:

R.2	Budget procedures
R.5	Internal Audit Function
R. 8 (8.1, 8.3)	Efficiencies
R.9	SPU
R.13	Quarterly report
R.15.2	Telecom Budget

The External Consultant is expected to further examine the following Recommendations:

R.4	Cost-accounting Process
R.6	Use of IT systems
R8.5	Allocation of more costs for services to users

LIST OF PRINCIPLES AND CONDITIONS TO REVISE BUDGET (Res. 1210, Annex 3)

1m Use of Languages

Pursuant to Resolution 115 (Marrakesh 2002) entitled “Use of the six official and working languages of the Union on an equal footing,” the ITU set the date of 1 January 2005 as the date by which all ITU work will be carried out in the six official and working languages of the Union on an equal footing. Pursuant to that resolution, a plan is required for the transition to the use of the six official and working languages on an equal footing in all of its spheres of activity, along with a concrete assessment of the funding that will be required to implement the plan. The full funding requirements necessary for the effective use, from 1 January 2005, of all six languages of the Union on an equal footing, should be listed as a separate item in the ITU budget. It is noted, however, pursuant to Resolution 115, that some work in ITU (for example working groups, study groups, and regional conferences) might not require the full use of all six languages.

Progress report, January 2004

As requested by the 2003 regular session of the Council, an information document on the implementation of Resolution 115 (Marrakesh, 2002) was made available to the 2003 additional session of the Council (C03-ADD/EP/3Rev-1 and Add-1). The matter was discussed in depth during the debates leading up to the adoption of the budget. In this respect, Council Resolution 1213, Annex B, Element 7, defines a precise mandate to the secretariat as follows:

“ELEMENT 7: Pursuant to Resolution 115 (Marrakesh 2002) entitled “Use of the six official and working languages of the Union on an equal footing,” and Council Resolution 1210, the Secretary-General shall present a plan for the transition to the use of the six official and working languages on an equal footing in all of its spheres of activity, along with a concrete assessment of the funding that will be required to implement the plan; this will be in the form of a separate document. The full funding requirements necessary for the effective use, from 1 January 2005, of all six languages of the Union on an equal footing, should be listed as a separate item in the ITU budget.”

The question of the implementation of Resolution 115 (Marrakesh, 2002) was also placed on the agenda of the last meeting of the Telecommunication Development Advisory Group, held in Geneva in January 2004, and TDAG examined a specific document (TDAG-9/11) on “*Measures proposed to be applied by ITU-D Study Groups in the light of the budget approved by the Council in October 2003 and of Resolution 115 (Marrakesh, 2002)*”.

In the light of the above, a drafting group has been established, comprising a representative of each Sector and the General Secretariat, with the following work programme:

- | | |
|---|------------------|
| • Adoption of the report outline | 9 February 2004 |
| • Examination of the first draft | 23 February 2004 |
| • Examination of the final proposed draft | 27 February 2004 |
| • Submission of the final proposed draft to the Secretary-General | 5 March 2004 |

Subject to further revisions and taking into account the time required for translation, the report shall be ready by early April 2004.

Implementation of GoS Recommendations

	Near-Term Recommendations	Status of Implementation
R2	<p>Process for Preparation and Review of Budget Modifications to the Financial Regulations on budget preparations</p>	<p><u>WELL ADVANCED</u> The Council WG meeting on 2-3 October 2003 discussed proposed modifications to the Financial Regulations.</p>
R3	<p>Prioritization of Sector Activities direct the Directors of the Bureau to priorities their activities in order to enable the ITU Secretariat and Council to rank all activities and to allocate the necessary budget to high priority activities.</p>	<p><u>WELL ADVANCED</u> Final report to be submitted to CoCo in February 2004, following the latest meetings of the sector advisory groups.</p>
R4	<p>Cost Accounting Process The Cost-Accounting Process should enable the cost of individual ITU projects and activities to be identifiable and auditable.</p>	<p><u>IN THE PROCESS OF IMPLEMENTATION</u> To be examined by the External consultant</p>
R5	<p>Enhance internal audit functions</p>	<p><u>IMPLEMENTED</u> New internal auditor assumed functions in January 2004.</p>
R6	<p>Current Use of the Information Systems at ITU Modifications to the Financial Regulations on budget preparations</p>	<p><u>PARTIALLY IMPLEMENTED</u></p> <ul style="list-style-type: none"> • Questionnaire on ICT expenditures sent to other agencies • The New Organization of the IS Department detailed in Service Order 03/14 became effective from 1 September 2003. • The draft strategic plan, including detailed status of current use of ICT technologies at ITU, is available at: http://www.itu.int/sg_is/
R8	<p>Review of Various Functions to Reduce Duplication</p>	
	<p>R.8.1 Library, Archives and Reference services</p>	<p>The Final report endorsed by CoCo on 20 October 2003.</p>

	Near-Term Recommendations	Status of Implementation
	R.8.2 Functions of Corporate Communications, publications, documentation	Task Management Team was constituted.
	R.8.3 Cost of Travel Processes	<ul style="list-style-type: none"> • Final Report in the first quarter of 2004 • Final report to CoCo on 20 October 2003.
	R.8.4 Management of Facilities and Building	<ul style="list-style-type: none"> • Reviewed by CoCo in October 2003. • Revised report due to CoCo in first quarter of 2004.
	R.8.5 Allocation of more costs for services to users	Considered with Rec. 4, as it is closely linked.
R9	Functions and Responsibility of SPU	<u>IMPLEMENTED</u> Report to COG in July 2003.
R13	Report to Council every 3 months	<u>IMPLEMENTED</u> <ul style="list-style-type: none"> • Draft Format approved early September 2003. • First Report provided to October 2003 Council, next report in preparation.
R14	Reorganize TELECOM along Project Lines	<u>PARTIALLY IMPLEMENTED</u> <ul style="list-style-type: none"> • Project team established and reported to CoCo in October 2003. • Revised core and other TELECOM budget in November 2003. • Staff reduced by half in December 2003. • New Executive Manager installed in January 2004. • TELECOM Board Task Force set up to propose new business plan. • Recommendations to be presented to Secretary-General by March 2004. • Organization by Project Lines may be unfeasible with reduced staff. • Report to CoCo by first quarter of 2004.
R15	Audit the Amounts ITU is Charging TELECOM	
	15.1 External Audit of TELECOM Costing Methodology	<u>PARTIALLY IMPLEMENTED</u> The audit is scheduled for 4-27 February 2004.
	15.2 Council Approval of TELECOM Administrative Budget	<u>FULLY IMPLEMENTED</u> Administrative budget of TELECOM was submitted to 4th COG meeting in September 2003.



INTERNATIONAL TELECOMMUNICATION UNION

COUNCIL OVERSIGHT GROUP (COG)

**Addendum to Document
COG-06/2-E**
4 February 2004
English only

GENEVA — SIXTH MEETING — (10 February 2004)

REPORT BY THE SECRETARIAT

Addendum

Council Near Term Recommendations

R.5

The newly appointed internal auditor, Mr Frank Sap assumed his functions in January 2004. The internal audit office is now staffed by one P.5 post, a post that Council had upgraded last year in line with practice in other UN agencies, and an administrative assistant post. In accordance with views expressed by the Group of Specialists, the internal auditor will act as a focal point for all external audit matters. The internal auditor is also in liaison with the external consultancy firm that was selected to assist with the reform of business processes in the Union.

R.15.1

The external audit of the TELECOM cost invoicing and methodology has started (4 to 27 February 2004). The external auditors will transmit a report to the Secretary-General in March 2004.



IMPLEMENTATION OF THE COUNCIL NEAR-TERM RECOMMENDATIONS

SUMMARY REPORT BY THE SECRETARIAT

This report presents an update on steps taken to implement the near-term Council recommendations since the last meeting of the COG and also provides a summary of all actions taken to date.

To summarize, the Council adopted 10 near-term recommendations (NTRs) of the Group of Specialists at its ordinary session in May of 2003. Since several of the Recommendations had sub-parts, a total of 15 action items were requested of the secretariat.

On 28 May 2003, immediately following the ordinary session of the Council, the Coordination Committee adopted a comprehensive Action Plan and Timetable to implement the near-term recommendations, designed to ensure that these matters were carefully examined and promptly forwarded to the Council Oversight Group (COG). The Action Plan took account of the fact that, in some cases, implementation of some of the recommendations necessitated involvement of the sector advisory groups or other external events. It also recognized that the External consultant would be well-suited to consider some of the recommendations in its examination of the ITU.

To date, 11 of the Action items have been fully implemented.

Three of the items are being considered by the External Consultant and will be addressed in the report of the consultant to be presented to Council 2004 (R4, R6 and R.8.5).

Finally, R.2 is being considered by the Council Working Group on Financial Regulations, which will make a progress report to Council 2004.

RECENT ACTIONS

R3 Recommendation regarding prioritization of Sector activities

Following review by the sector advisory groups, the report was reviewed by the Coordination Committee (CoCo) at its meeting of 22 March 2004. The final Report has been submitted to the April meeting of the COG.

R8 Review of Various Functions to Reduce Duplication

8.2 Functions of corporate communications, publications, and documentation document control and marketing

Under the Secretariat work plan, a project team was formed to report on this recommendation and it distributed a questionnaire to service users in the last quarter of 2003. The analysis of the replies began in February 2004. The report provides the main conclusions of the study and is submitted to the April meeting of the COG.

In general, the survey results show a fairly high degree of user satisfaction with the services examined and relatively few instances of duplication. In some areas, such as public relations, media and marketing, where organizational changes have already taken place, the study offers further options for consideration. In a number of areas, the report suggests that further studies be conducted to examine situations in more detail and the service providers will need to be involved in such efforts.

8.4 Management of Facilities and Building

The report of the project team was presented to the Coordination Committee at its meeting on 20 October 2003. Although the CoCo appreciated the recommendation to reform the building committee to streamline management of buildings and facilities, it instructed the project team to significantly revise its report to identify additional and specific savings and efficiencies that could be achieved in this area.

The revised report is forwarded to the COG for its April meeting.

R.13 Quarterly Reports on Financial and Operational Matters

The format was endorsed by COG in fall 2003 and the first edition of the report was distributed to the additional session of Council. The report for the last quarter of 2003 is contained in the Financial Report submitted to Council 2004. The report for the first quarter of 2004 has been prepared and will be distributed shortly.

R.14 Recommendation to reorganize TELECOM along project lines

To improve its management efficiency and the quality of its events, the Secretary-General has introduced dramatic changes to TELECOM operations, following the World Event in Geneva in October 2003. To streamline operations and reduce the cost structure, non-essential services have been reduced or eliminated. This has led to a sharp reduction in the permanent staff of TELECOM through redeployment of personnel to other areas of the Secretariat in the first month of 2004.

In January as well, a new Executive Manager was appointed, Mr. Fernando Lagraña. He is now engaged in an extensive reorganization of TELECOM to reflect the reduction in staff. The TELECOM Board has set up a Task Force to propose a new business plan.

These changes are designed to place TELECOM on a more rational and improved economic footing. These actions will impact on the recommendation to reorganize TELECOM along project lines. The final report has been submitted to the COG at its April 2004 meeting.

R.15.1 Review by External Auditor of Costing Methodology for TELECOM

The audit took place on 4-27 February 2004 and a report is expected shortly from the external auditor.

SUMMARY

This section provides an overview of the actions already taken by the Secretariat to implement the near-term recommendations.

Implemented

The following near-term recommendations have been implemented through final reports submitted to the Coordination Committee, COG and/or the additional session of Council:

R.3	Prioritization of Sector Activities
R.5	Internal Audit Function
R.8 (8.1-4)	Efficiencies and reduction of duplication
R.9	SPU
R.13	Quarterly report
R.14	Telecom
R.15.1	External Audit of Costing Methodology for TELECOM
R.15.2	Telecom Budget

The External Consultant is examining the following Recommendations, with the assistance of the Secretariat:

R.4	Cost-accounting Process
R.6	Use of IT systems
R8.5	Allocation of more costs for services to users

LIST OF PRINCIPLES AND CONDITIONS TO REVISE BUDGET (Res. 1210, Annex 3)

1m Use of Languages

Pursuant to Resolution 115 (Marrakesh, 2002) entitled “Use of the six official and working languages of the Union on an equal footing,” the ITU set the date of 1 January 2005 as the date by which all ITU work will be carried out in the six official and working languages of the Union on an equal footing. Pursuant to that Resolution, a plan is required for the transition to the use of the six official and working languages on an equal footing in all of its spheres of activity, along with a concrete assessment of the funding that will be required to implement the plan. The full funding requirements necessary for the effective use, from 1 January 2005, of all six languages of the Union on an equal footing, should be listed as a separate item in the ITU budget. It is noted, however, pursuant to Resolution 115, that some work in ITU (for example working groups, study groups, and regional conferences) might not require the full use of all six languages.

A progress report was prepared in January 2004. A final report will be submitted to Council at its 2004 session.

Implementation of GoS Recommendations

	Near-Term Recommendations	Status of Implementation
R2	<p>Process for Preparation and Review of Budget Modifications to the Financial Regulations on budget preparations</p>	<p><u>WELL ADVANCED</u> The Council WG met on 2-3 October 2003 and 1-2 April 2004 to discuss proposed modifications to the Financial Regulations and will make a progress report to Council 2004.</p>
R3	<p>Prioritization of Sector Activities direct the Directors of the Bureau to priorities their activities in order to enable the ITU Secretariat and Council to rank all activities and to allocate the necessary budget to high priority activities.</p>	<p><u>IMPLEMENTED</u> Final report reviewed by CoCo in March 2004, following the meetings of the sector advisory groups, and submitted to COG in April 2004.</p>
R4	<p>Cost Accounting Process The Cost-Accounting Process should enable the cost of individual ITU projects and activities to be identifiable and auditable.</p>	<p><u>PARTIALLY IMPLEMENTED</u> To be examined by the External consultant.</p>
R5	<p>Enhance internal audit functions</p>	<p><u>IMPLEMENTED</u> New internal auditor assumed functions in January 2004.</p>
R6	<p>Current Use of the Information Systems at ITU Modifications to the Financial Regulations on budget preparations</p>	<p><u>PARTIALLY IMPLEMENTED</u></p> <ul style="list-style-type: none"> • Questionnaire on ICT expenditures sent to other agencies. • The New Organization of the IS Department detailed in Service Order 03/14 became effective from 1 September 2003. • The draft strategic plan, including detailed status of current use of ICT technologies at ITU, is available at: http://www.itu.int/sg_is/ • Being examined by External consultant.
R8	<p>Review of Various Functions to Reduce Duplication</p>	
	<p>R.8.1 Library, Archives and Reference services</p>	<p><u>IMPLEMENTED</u> The Final report was endorsed by CoCo on 20 October 2003 and submitted to COG.</p>

	Near-Term Recommendations	Status of Implementation
	R.8.2 Functions of Corporate Communications, publications, documentation	<u>IMPLEMENTED</u> Final study report to COG in April 2004 .
	R.8.3 Cost of Travel Processes	<u>IMPLEMENTED</u> Final report reviewed by CoCo on 20 October 2003 .
	R.8.4 Management of Facilities and Building	<u>IMPLEMENTED</u> Reviewed by CoCo in October 2003 . Revised report reviewed by CoCo on 19 April 2004 and submitted to COG in April.
	R.8.5 Allocation of more costs for services to users	To be examined by External Consultant, as linked closely to R.4.
R9	Functions and Responsibility of SPU	<u>IMPLEMENTED</u> Report to COG in July 2003 .
R13	Report to Council every 3 months	<u>IMPLEMENTED</u> <ul style="list-style-type: none"> • Draft Format approved early September 2003. • First Report provided to October 2003 Council, second report contained in Financial Report and third report to be distributed in April 2004.
R14	Reorganize TELECOM along Project Lines	<u>IMPLEMENTED</u> <ul style="list-style-type: none"> • Project team established and reported to CoCo in October 2003. • Staff reduced by half in December 2003. • New Executive Manager installed in January 2004. • TELECOM Board Task Force set up to propose new business plan. • Organization by Project Lines may be unfeasible with reduced staff. • Final Report to COG in April 2004.
R15	Audit the Amounts ITU is Charging TELECOM	.
	15.1 External Audit of TELECOM Costing Methodology	<u>IMPLEMENTED</u> The audit took place from 4-27 February 2004 .
	15.2 Council Approval of TELECOM Administrative Budget	<u>IMPLEMENTED</u> Administrative budget of TELECOM was submitted to 4th COG meeting in September 2003 .