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| **Ad Hoc Group of the CWG-FHR on the ITU Regional Presence Review****First meeting - Virtual, 20 April 2021** |  |
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|  | **Document CWG-FHR-AH-RegPres-2/7-E** |
| **27 April 2021****English only** |
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| Summary Report of Second Meeting |
| 22 April 2021, from 1200 to 1500 hours |

**Summary**

The Ad Hoc Group of the CWG-FHR on the ITU Regional Presence Review was convened by CWG-FHR at its meeting to Review and analyse the recommendations of the PWC Report presented by the Secretary-General in Document C20/74, taking into account proposals of the ITU Member States and the comments of the secretariat, to analyse the possible financial implications of various options for optimizing the structure of the ITU regional presence, and to prepare and submit recommendations to the next CWG-FHR (scheduled to be held on 11 May 2021) related to optimization of the structure and methods/approaches to increase the efficiency of the regional presence.

The Ad-Hoc Group, chaired by Ms. Stella Erebor, Nigeria held its first meeting on 23 March 2021 (Summary Report).

The second meeting of the Ad Hoc Group was convened on 20 April 2021 and considered four contributions from membership, from the United States, Australia, Switzerland and a multi-country contribution from the Arab Republic of Egypt, Kuwait and South Africa, and one secretariat document.

The following is a summary of the meeting.

1. **Opening of the meeting and welcome remarks**
	1. The Secretary to the Ad Hoc Group, Stephen Bereaux Deputy to the Director BDT, opened the meeting on behalf of the Chairwoman due to connection challenges experienced by the Chair. Mr. Bereaux welcomed all participants and acknowledged the presence of ITU Secretary-General Mr Houlin Zhao, to make introductory remarks.
	2. The Secretary-General noted that this Ad Hoc Group is tasked with engaging fully on the outcomes and recommendations put forward by PwC following their comprehensive review of ITU’s regional presence. The Secretary-General stressed that work of this Ad Hoc Group is the first step towards making concrete decisions in preparation of the next virtual consultation of councillors to help the councillors make clear decisions on how we can advance ITU’s regional presence to be fit for the future.
	3. The SG congratulated Ms Stella Erebor on her appointment to chair this Ad Hoc Group and thanked Ms. Erebor for the work she has already done in furthering the work of the group.
	4. The Secretary-General advised the group of the agreement for a virtual meeting of Council in June to be held during the 9-day period initially planned for Council. The successful format of the previous Virtual consultations (VCC) would be replicated for this meeting and Secretary-General looked forward to the fruitful discussions of this group and its report, which will be of great importance to the ITU’s continued work to ensure that the regional presence delivers impactful benefits for all our members. With the impact of Covid-19, enhanced connectivity has never been more important, and ITU’s regional presence is at the forefront of delivery of our mandate to connect the world.
	5. The Secretary General noted with pleasure that four contributions from Members states have been received for this meeting, focused on strengthening the regional presence through clear strategic objectives, and strong, effective and sustainable positioning. These contributions will broaden the debate and I hope that a consensus will emerge from your work.
2. **Adoption of Agenda**
	1. Mr. Bereaux tabled the Agenda, document CWG-FHR-AH-RegPres-2/1 and opened the floor for comments on the Agenda.
	2. No comments were made so the Agenda was adopted as tabled.
3. **Report of the First Meeting**
	1. Mr. Bereaux tabled the Summary Report of the meeting of the Ad Hoc Group held on 23 March 2021, contained in Document CWG-FHR-AH-RegPres-1/6.
	2. There being no requests for the floor, the Report was noted and adopted by the Ad Hoc Group.
4. **Member Contributions**

4.1 Document 3 was presented on behalf of the United States**.** The United States reiterated the belief that ITU regional presence is important as a valuable means for the ITU to work closely with the membership to facilitate greater efficiency and wider participation at lower cost for all ITU members, especially those from developing countries. The United States believed that the Ad Hoc Group should produce recommendations regarding a path forward on regional presence for Council decision. To accomplish this, the United States considers that the Ad Hoc Group must first focus on strategic positioning principles of ITU regional presence before structure is considered. Form should follow function. The United States proposed the following strategic principles based on the PWC Report:

* Bringing the technical expertise of ITU as a whole closer to its membership.
* Actively fostering cross-country and cross-regional collaboration and dialogue.
* Designing and delivering technical assistance for developing countries in close collaboration with UN Agencies and others.
* Mobilizing the membership in line with the strategic goals and global targets listed in the Strategic Plan.

The United States believed that these four positioning principles form a solid foundation for a vision on the role of the regional offices.

* 1. Document 4 was presented on behalf of Australia**.** Australia noted that the report prepared by PwC provides important insights on the ITU’s regional presence and is a useful input into the review process. Australia considers the evaluation criteria utilised by PwC as valuable when assessing options for the regional presence going forward. However, Australia considers the PwC report as only one element in the review process. To ensure that there is cohesion across the organization, Australia supports the report’s assertion of the need to clarify the role of the ITU regional network within the ITU’s strategic framework and key policy documents which would allow regional offices to have clear direction and objectives.
	2. In addition to the Secretariat’s first reaction to PwC’s report, Australia requested further reflections from the Secretariat on how the regional presence can best support mandate delivery in a coherent and coordinated manner.
	3. Australia proposed that the Ad Hoc Group should first focus on the specific objectives of the ITU globally and regionally, and how the regional presence assists with delivering these objectives in accordance with the ITU’s mandate. Australia welcomed the PwC report noting the review was conducted against the backdrop of the Sustainable Development Goals (SDG) Agenda and the reform of the UN Development system (UNDS). In a resource constrained environment, by aligning more closely with UNDS Australia noted that ITU could increase its impact through regional partnerships, common resource mobilization and reduced overheads, including utilisation of common administrative and logistical support functions. Australia expressed the need for closer and more effective cooperation between the ITU and other UN agencies to deliver on the SDG agenda and to build back better after COVID.
	4. Australia considers it important the ITU strikes the right balance in the Asia-Pacific. Australia’s key considerations for the ITU’s presence in the Pacific include its UN reform priorities, alignment with the delivery of the ITU’s mandate underscored by a clearly defined vision for the regional presence, and ensuring regional membership views are understood and promoted effectively in the organization. Australia noted that Pacific member countries are confronted by particularly difficult circumstances and require a more structured form of assistance. In terms of being fit for purpose, the review of alignment between the geographical distribution of the current regional presence and thematic needs is welcome. Australia agreed with the need expressed in the report to “define explicit criteria detailing on which basis a regional presence should be set up. A governance process should also be established to ensure that these criteria can be regularly reviewed”. Australia would like to see the UN “do more” to address the unique challenges in the Pacific and would welcome an increased ITU presence should the appropriate criteria be met to ensure there is cohesion across the organisation, and so regional offices have clear direction and objectives, and respond effectively to the unique circumstances of the countries they will be serving.
	5. Document 5 was presented on behalf of Switzerland**.** Switzerland noted that the organizational set-up of the ITU, including the regional presence, is very important for the ITU and its mandate. Switzerland deems the report prepared by PWC as valuable document and considers that the analytical framework based on seven evaluation criteria offers an adequate lens for such an analysis.
	6. Switzerland believed that the report primarily serves as an input for the ITU’s own reflections. In this regard Switzerland believed that the options set out do not predefine a set number of models for the ITU’s future regional presence from which the Union would have to choose and implement it one-to-one. The options should be considered as valuable food for thought. For any future model there is the need for overall strategic planning. Specifically, given limited overall resources of the Union resource allocation should be consequent to effective planning not based on any preset model. Switzerland found it interesting that the Secretariat opines in Annex 3 “*that a review of the Strategic and Planning Framework would result in better alignment with the RBM approach already being implemented by BDT, and would make for more effective, focussed and achievable targets for the ROs*”. Switzerland noted that the Secretariat suggested that this could be a focus of the CWG. Switzerland requested the Secretariat to provide more information on how the interplay of strategic and operational planning processes at all levels could be improved. In addition to the Secretariat’s first reaction to PWC’s report, Switzerland would be interested in the Secretariat’s own views on how it sees the regional presence based on its own expertise.
	7. Switzerland’s also stressed the need to consider processes outside the Union, in particular the reform of the UN Development system offers. Switzerland proposes that the group could invite the secretariat to further provide its own views on opportunities that the UNDS offers the ITU for increased effectiveness and efficiency as well as an overview of potential avenues for collaboration with other institutions in the multilateral system.
	8. Switzerland also finds it important to have a one ITU approach so that the regions can benefit as much as possible from the specific technical expertise at headquarters. Switzerland understands the Secretariat’s concerns that TSB and BR may not be staffed with generalists who would be broadly expert enough to independently address the variety of issues which arise in the regions. Switzerland believed that TSB and BR can provide most value by offering respective technical expertise and capacity building through remote support as well as on a project basis in the offices, through a close co-working approach between headquarters and regional offices. Switzerland supports a small, centralized coordination team which could further improve coordination between regional offices and HQ and hence effectiveness and efficiency.
	9. Egypt presented Document 6 on behalf of the authors, Egypt, Kuwait and South Africa. The contribution highlights that the authors’ view that Option 1 (keeping both Regional and area offices), which is the current situation in the Union, is the most suitable option for the needs of ITU and its Membership. Egypt considered that it is of utmost importance to keep regional offices and not replace them by area offices. Area offices will not serve the same weight as regional offices.
	10. Egypt noted and endorsed the valid concerns identified by ITU secretariat in Contribution CWG-FHR-12/9 on the delivery methods recommended by PWC in relation to the closure/consolidation of ITU Offices and reduction of the overall number of offices; and, in relation to the proposed removal of the RO level and resulting downgrade of RDs to P5 level.
	11. Egypt also noted the comparison of different financial implications between both Option 1 and Option 2 as noted in Document CWG-FHR-AH-RegPres-2/2-E. The analysis clearly shows that Option 2 would create a bigger financial burden on ITU, at a time where we are trying hard to reduce costs, in addition to the strategic concerns mentioned above. Egypt stressed that Option 2, while trying to solve problems of coordination at the level of impact, it creates disruptions. These problems of coordination can be resolved within the current structure as it is. Egypt proposed to keep the current situation, which is what PWC refers to as Option 1 (both regional and area offices).
	12. At the same time, Egypt noted that the authors of the contribution believed that the PWC report makes some excellent suggestions on methods to improve and develop regional presence. These include:
	+ In terms of coherence, there is a need to align the WTDC Action Plan, and the ITU Strategic Plan and the role of the regional presence needs to be highlighted in the ITU Strategic Plan. In addition, the global targets in the ITU Strategic Plan should be explicitly broken down and be related to performance indicators in the Operational Plan and Regional Initiatives.
	+ In terms of representing a “One ITU”, PWC recommends enhancing the regional presence through greater involvement of the Radiocommunications Bureau (BR) and the Telecommunication Standardisation Bureau (TSB), and by increasing the Regional Offices’ (RO) support to ITU-R and ITU-T. We believe that this is a critical point for developing and improving the ITU regional presence.
	+ Regional offices need more human resources and technical specialists to be able to transmit their technical expertise to Member states.
	+ The report also suggests conducting mid-term review of the implementation of regional initiatives, which is critical for assessing their effectiveness.
	+ Fostering collaboration with other UN agencies and making partnerships is also highlighted as important in the report and will help improve the effectiveness of regional presence.
	1. Egypt highlighted the report’s alignment with recommendations made by the United Nations Joint Inspection Unit (JIU) in its report on the “Effectiveness of ITU Regional Presence”.
	2. With regards to the strategic positioning of ITU regional presence, Egypt endorsed the following PWC recommendations
* Bringing the technical expertise of ITU as a whole closer to its membership.
* Supporting the preparation and participation of representatives from different regions.
* Facilitating and organising transfers of technical knowledge.
* Actively fostering cross-country and cross-regional collaboration and dialogue.
* Designing and delivering technical assistance.
	1. In concluding its contribution on behalf of Egypt, Kuwait and South Africa, Egypt expressed its appreciation for the work done by PWC and the comprehensive and extensive report. At the same time, Egypt stressed that we should deal with the report as separate recommendations and not one whole package solution. Many of the recommendations proposed can be helpful and effective to improve regional presence, and we thank ITU secretariat for their efforts in working on and applying these recommendations. With regards to the delivery method, Egypt expressed support for Option 1 (both regional and area offices). Moreover, Egypt proposes to make some improvements to the current functioning of regional offices so that they can better serve the membership and have more effective and efficient impact.
1. **Group Discussions**
	1. The Chair provided comments seeking to frame the discussion. By way of overview of the last meeting and how the group agreed to go forward, the Chair outlined the three Annexes provided by the Secretariat with PwC’s recommendations with Annex 1 providing those recommendations which are within the purview of management and which the Secretariat has already implemented or begun to implement and Annex 2 containing recommendations which are also within the purview of the Secretariat but which the Secretariat had not yet begun to implement. Finally, the Chair noted that Annex 3 sets out those recommendations that require a decision of council or the Plenipotentiary conference, relating to Strategy and Structure. As a way forward at the first meeting it had been agreed to focus on overall strategic directions for regional presence guided by Chapter 6 of PWC’s report, and to restrict discussions on structure to Option 1 (Status Quo) and Option 2, which is PwC’s preferred recommendation of Area Offices only.
	2. Chair noted that the PWC report provided six guiding principles (on page 111) for the ITU’s future regional presence, namely clarity of purpose, drive for impact, accountability, One ITU, part and parcel of the UN family, and managed transition. The Chair suggested that the group may decide to agree or align with those principles and expressed the view that all of the contributions, to a large extent, already align or are heading toward the same direction as one or more those principles.
	3. The Chair proposed that while the group may not be able to agree on the specifics of the structure during this meeting, however the group can discuss and seek to agree on the principles that should be applied, whether or not the group agree on PWC’s recommendations as they relate to structure. The guiding principles have practical implications regarding how ITU organizes its regional presence and capacity. The Chair submitted that the contributions received can be mapped into the six guiding principles proposed by PwC. The Chair highlighted the alignment between the PwC principles and the principles proposed by the each of the contributions from member states. Based on this outline, the Chair noted that if we give structure to the deliberations, we could take much from the PwC recommendations.
	4. The Chair noted that the way forward was to determine how the Ad Hoc group can assist the secretariat to ensure that the PwC report is implemented as much as possible. Chair noted that even if the group does not agree with the structure there are many aspects of the PwC report that should be implemented irrespective of the position on the structure. The Chair expressed the hope that regardless of the decision, one of the takeaways from the meeting would be to put the responsibility on the secretariat to continue to report to membership on continuous implementation of the recommendations by PwC, because one of the matters that resonates is the statement that having reviewed past recommendations many of them were not implemented, which is not the case with the PwC report because we have already seen a high level of implementation of the recommendations.
	5. The Chair opened the floor for comments on the contributions received and the way forward.
	6. The United States expressed appreciation for the information and thinking shared and noted that the Chair had laid out a proper structure for the discussion. The United States expressed agreement that it would be hard to focus on specifics of structure at this meeting but there could be fruitful discussion on guiding principles for the role of the regional offices. Echoed the Chairs view that there are synergies and that the guiding principles set out in the report provide potential areas of consensus. Also supports the notion that the secretariat could continue to report back to the group on its progress and efforts to implement some of the PwC recommendations.
	7. Canada noted the need, before deciding on any structure we should take into account what is it that the regions want the ITU to do and the important process ongoing for deciding on regional priorities and the BDT Thematic Priorities. In that context it is important to take a close look at the Results Based Management implementation by the BDT and to ensure effective results-based budgeting. Canada also expressed its support for and insistence on maintaining an area office in the Caribbean region to support the small island developing states in that region, and the need for support in the Americas for LLDCs.
	8. The Russian Federation expressed support for the Egypt and US contributions, and the Chair’s approach and considered that considering financial risk at the present time, asking ITU to consider implementing the PwC recommendations that will increase the efficiency and significance of the regional presence within its existing structure, without carrying out changes in the structure. Issues of transforming the regional presence should be considered further including within the framework of the Council Working Group on Strategic and Financial Plans for decision at PP22, considering the relevant resolutions and decisions inter alia that will be adopted at WTDC-21. Chair highlighted agreement with this and stressed that whatever steps the secretariat takes it should continue reporting to the CWG-FHR so that the PwC report is kept alive.
	9. Brazil stressed the importance of the discussion as the topic is valuable for the continuance of the effective and relevant work of the Union. Support secretariat comments and US comments. Brazil requested details about the extent to which the secretariat and the countries impacted directly by the proposed changes were consulted on the changes and whether they agreed to them. Brazil reaffirms its position in support of strengthening the ITU’s regional presence, essentially to keep the flexibility of countries in designing and executing projects in line with regional needs and priorities, and welcomes the work already being done by the secretariat in bringing greater clarity to countries about the work of the regional presence and the work done at this group. Stephen Bereaux responded to the question by Brazil regarding the nature of the consultation with countries noting that the consultation by PwC consulted with member countries, including all those with regional offices, but the consultation was a general consultation on the issues being considered but not designed to seek agreement by member states with specific recommendations.
	10. Indonesia expressed appreciation to PwC for the comprehensive report. Report provides holistic recommendations for strengthening the ITU regional offices. In this regard we would like to recall and echo the contribution by Egypt, Kuwait and South Africa that we should maintain the current structure and optimize the existing regional and are offices. Indonesia noted that establishment of a new are office takes a considerable amount of time. Indonesia is concerned that in Option 1 and Option 2, the Indonesia Jakarta office is no longer reflected within the regional presence. Indonesia discussed the process for establishment of the Area Office and the complicated and time-consuming nature of the negotiations. Indonesia supports the current structure that consists of ROs and AOs but considered it necessary to maintain existing offices.
	11. The Secretariat recapped the discussions and agreement, noting broad alignment around the high-level principles for the regional presence and support for the Chair’s proposal that these should be discussed and agreed before moving on to the specifics. Noted that agreement for strategic principles. Support for maintaining the current structure (RO/AO) from Brazil, Egypt and Indonesia. Canada and Indonesia specifically supported maintenance of area offices in Bridgetown and Jakarta specifically. Broad support for the secretariat continuing to implement those recommendations that will enhance and strengthen the regional presence and to continue to report to CWG-FHR/Council on progress.
	12. The Chair asked the meeting whether there are any of the six PwC principles proposed by PwC that the group does not agree with, plus the principle of concern of the host country. No disagreement was expressed so the Chair took this as agreement on the principles and on that basis, at this point, noted that the report could also act as an opportunity for member states to make direct contributions to council on this. Chair expressed that the principles are sound and ITU should embrace and hold the secretariat accountable to ensure that, except as related to structure, it is implemented. The Chair also stated that the secretariat should be required to continue to report to council.
	13. Chair noted that inasmuch as we had no agreement with a structure comprising Area Offices only, but noted understanding why PwC’s report proposed changes to structure to achieve the principles outlined which the group had agreed to.
	14. The Chair asked the Secretariat to ensure that in the report to the meeting it would recap and document all contributions, both written and oral to the meetings, and requested that the Secretariat provide further inputs as appropriate.
	15. Secretariat noted that it would:
* Document agreements made during the meeting;
* document all contributions as submitted;
* respond to and answer all questions asked by contributions from Swiss Federation and Australia;
* Establish an implementation plan for all recommendations from PwC that are implementable, based on the status quo model, having regard to comments regarding maintenance of the current structure;
* Continue to report to CWG-FHR on progress.
	1. The Chair agreed that the foregoing document would be the Ad Hoc group’s report to CWG-FHR. Secretariat noted that the meeting report would be produced in addition to the report to the group to CWG-FHR.
	2. Canada asked if, in the document that the secretariat produces should include a chart regarding specific inputs that would be provided by the TDAG-WG-RDTP and TDAG-WG-SOP, and also provide for correlation with the CWG that is to be established on the Strategic and Financial Plans of the ITU. Canada again stressed the importance of the office in the Caribbean.
	3. Chair thanked Canada and noted that not all recommendations would be implemented and that the request is that all implementable parts of the PwC report whether by the Secretariat or by TDAG be reported on by the Secretariat, whether with the Secretariat’s purview or being done by other parts of ITU.
	4. Russian Federation noted the value of the PwC report, and stressed the need to use what we already have and for the Regional Presence to be more coordinated and to have terms of reference for this important part of the ITU. ROs and AOs in the regions allow the ITU to be more aware of member needs and allows ITU to be more effective in fulfilling the needs. Consolidation or concentration would risk undermining this. Russian Federation notes the need to have a clear strategic understanding of the Regional Presence.
	5. In response to the Chair’s request, the Secretariat noted that it would have to produce an implementation plan tracking the recommendations and status. The Chair suggested that the current three annexes should be maintained as a basis for the reporting. The Chair noted that it was not proposed for this Ad Hoc Group to have any further meetings, but the report would be presented to CWG-FHR and that all members would have the opportunity to endorse the report at that forum.
	6. The Secretariat agreed to produce the Summary Report of the meeting within a week and requested that the full report of the group would have until the first week in May.

**6. Closing**

The Chair noted the progress and fruitful discussions of the Ad Hoc group, thanked all participants, and brought the meeting to a close.