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| **Agenda item: ADM 3** | **Document C25/62-E** |
| **19 May 2025** |
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| Report by the Secretary-General | |
| EFFICIENCY MEASURES IMPLEMENTED IN 2023-24 AND FUTURE PLANS | |
| **Purpose**  This document outlines the efficiency efforts undertaken by ITU leadership to make the organization fit for purpose and fit for the future. It highlights key initiatives in structural and process optimization, financial and business transformation, IT modernization, and human resource management, building on the measures provided in Annex 2 to Decision 5 (Rev. Dubai, 2018).  The document showcases significant efficiency gains achieved since January 2023, including cost reductions through automation, digitalization, and AI-driven productivity enhancements. It also details progress in financial stability, eliminating deficits, and achieving budget surpluses through prudent financial management.  Furthermore, the document emphasizes the restructuring efforts, oversight improvements, and key achievements, such as successful audit results, energy cost savings, and cost-efficient administrative reforms, that were implemented together with staff well-being, capacity building and building organizational leadership culture initiatives.  Finally, it presents ongoing and future initiatives aimed at sustaining transformation and operational excellence.  **Action required by the Council**  The Council is invited to **take note** of the report.  **Relevant link(s) with the Strategic Plan**  Excellence in human resources and organizational innovation  **Financial implications**  Efficiencies reflected within the budget implementation.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  **References**  *Documents* [*C23/50*](https://www.itu.int/md/S23-CL-C-0050/en)*,* [*C23/51*](https://www.itu.int/md/S23-CL-C-0051/en)*,* [*C23/52*](https://www.itu.int/md/S23-CL-C-0052/en)*,* [*C23/53*](https://www.itu.int/md/S23-CL-C-0053/en)*,* [*C23/INF/13*](https://www.itu.int/md/S23-CL-INF-0013/en)*,* [*C23/62*](https://www.itu.int/md/S23-CL-C-0062/en)*,* [*C23/36*](https://www.itu.int/md/S23-CL-C-0036/en)*,* [*C24/29(Rev.1)*](https://www.itu.int/md/S24-CL-C-0029/en)*,* [*C24/73*](https://www.itu.int/md/S24-CL-C-0073/en)*,* [*CWG-FHR-20/14*](https://www.itu.int/md/S25-CWGFHR20-C-0014/en)*,* [*C25/43*](https://www.itu.int/md/S25-CL-C-0043/en) | |

# Introduction

The ITU leadership is committed to ensuring that the organization is fit for purpose for its current mandate but also prepared to meet future challenges.

The leadership team, which assumed office in January 2023, took swift action and launched transformation and efficiency initiatives based on a comprehensive visioning process that involved extensive input from staff and experts at all levels of the organization.

In alignment with the Decisions of the ITU Plenipotentiary Conference in 2022 (Annex 2, Decision 5), ITU management has implemented a series of strategic measures aimed at enhancing operational efficiency, streamlining administrative processes, and optimizing resource utilization.

A thorough review of structural and procedural workflows is currently underway, with a strong emphasis on reducing bureaucracy and bottlenecks, harnessing technological advancements, leveraging data-driven insights, and fostering a culture of continuous learning and capacity-building within the organization.

# Highlights of key efficiency gains

The table below highlights key efficiency gains achieved since January 2023.

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| Operational Area | Efficiency Initiative(s) | Estimated Savings/Impact |
| Human Resources / Staff costs – via Voluntary Separation Programme (VSP) | Reduction in staffing costs, reinvestment into key areas and acquiring new skills  (2nd wave of VSP currently ongoing in 2025) | CHF 3.04 M (from the 2023 VSP programme) |
| Energy costs | Strategic procurement negotiations through optimized supplier contracts.  Implementation of several solutions to achieve energy savings | CHF 661 681 saving in electricity costs 2024 vs 2023 (40% reduction) |
| Process Automation & Digitalization | Implementation of process automation and workflow optimization (Education Grant integration in SAP to automate payment and accounting)  Simplified Performance Management process and tool | Savings in manual processing time for payment and accounting (for ~700 cases)  Reduced by 50% the time to complete performance evaluations |
| Productivity | Adoption of AI tools for meeting management, search and content creation. | 8-10% reduction of time on manual and repetitive tasks |
| Online Meetings & Training | Increased reliance on virtual training and remote conferencing | Savings in travel and other physical meeting costs |
| Translation & Interpretation | Translation and interpretation efficiencies, reducing administrative overhead while maintaining service quality.  AI translation for document and websites  Testing of remote interpretation through Remote Simultaneous Interpretation (RSI) | 20% efficiency bump in terms of pages per day per translator |
| Shared Services Utilization | Adoption of UN Global Shared Services (Outsourced SSA and ST administration to UNICEF to enhance service delivery and optimize resource allocation; outsourced Ombudsman function to UNOMS, sharing the resource with WIPO) | Optimized use of internal resources and cost savings |

# Efficiency Measures and Results

## Organizational Transformation

* Launch of a **Transformation Initiative** to reduce bureaucracy, eliminate inefficiencies, and improve effectiveness.
* Establishment of a dedicated **Transformation Team** to oversee transformative projects and institutional modernization.
* Development of a structured **Transformation Roadmap** outlining key milestones and strategic objectives.
* Coordinating implementation of a comprehensive needs-based approach to integration of AI tools into existing IT services and platforms.
* Organizational **upskilling in AI and data**, **change management** and **adaptive leadership** were carried out in 2024 and are continued in 2025.
* Establishment of a **Changemakers Network** to facilitate innovation, foster collaboration and engagement, and support change adoption.
* Ongoing implementation of an **Organizational Structure Review** for the General Secretariat.

## Financial Transformation

* Achievement of a **more than 3% budget surplus** in 2024, amounting to **CHF 5.6 M,** driven by a **5.25% reduction** in expenses during the 2024 budget implementation cycle. This surplus resulted from rigorous management of costs to make available funding for priorities which had not been funded or fully funded in the Financial Plan 2024-2027, and which have become necessary since it was developed in 2021/2022.
* Resolution of longstanding **audit compliance challenges**, resulting in **two consecutive unqualified audit opinions** and **reinstatement of a standard audit cycle**.
* Implementation of several **resource optimization key streams**, including payroll cost distribution, extrabudgetary fund management, treasury management, and accounting and revaluations.
* Streamlining of processes in Financial Resources Management Division to reduce the resources required to perform ITU financial management, while improving effectiveness.

## IT Transformation

* Implementation of targeted **ICT cost-cutting measures**, leading to significant operational savings:
  1. Migration of DNS services to the cloud, enhancing performance with faster resolution, reduced hardware and maintenance costs, lower IT labour, and increase security threat mitigation. Automation minimized manual errors and IT workload, while scalability enabled instant scaling and automated failover.
  2. Leveraging UNICC services to reduce cost for infrastructure, managed services, and cross UN AI solutions.
  3. Streamlining IT staffing through outsourcing and non-staff services for non-core functions, leveraging LTAs for development, and optimizing software licensing to reduce costs and enhance operational flexibility.
  4. Automating repetitive IT support tasks that lead to significant efficiency gains by reducing operational costs, improving response times, increasing productivity, minimizing errors, and enhancing scalability.
  5. Reducing legacy systems and consolidating applications that eliminates duplication, streamlines operations, and simplifies the IT environment, resulting in significant efficiency gains and reduced maintenance costs.
  6. Moving applications/workloads to the cloud enhancing scalability, improving performance, and reducing infrastructure costs and IT labour while brining scalability and innovation.
* Implementation of **remote meeting participation services** addressing business continuity gaps highlighted by the Covid-19 pandemic and **continuous improvements and efficiencies in the delivery of conferences, meetings, and other events**.
* Pilot Implementation of **AI-powered interpretation, translation, and captioning**, enhancing multilingual communication, reducing reliance on manual services, lowering costs.
* **AI digital transformation**: Deployment of **AI-powered productivity tools** such as Copilot, designed to enhance efficiency and streamline daily operations.
* **Equipped staff with AI tools** that augment their skills and knowledge, improving analytical capabilities, document processing, and workflow management, via the **ITU AI Hub**.
* Plans for the enhancements and upgrade to cloud-based **Enterprise Resource Planning (ERP) and Customer Relations Management (CRM) Platforms** for improved financial and operational integration are being reviewed to ensure alignment with efficiency measures.

## Human Resources Efficiencies

* Launch and implementation of a **Voluntary Separation Programme (VSP)** in 2023 to **optimize budgetary expenses**, **realign the Union’s structures and resource allocation**, and enhance ITU’s ability to **obtain needed skill profiles**. 27 staff members were separated from service (approximately **4.1% of regular staff**). A second wave of the VSP was launched in 2024 and is being implemented in 2025.
* Enhancement of **recruitment processes** to improve candidate selection, expedite hiring, and align talent acquisition with institutional priorities.
* Strengthening of **performance management** framework to promote accountability, career development, and productivity (via simplified ePMDS tool, targeted training on work plan setting and evaluation, and clear linkage of objectives to ITU strategic goals)
* Increased engagement with UN Volunteers (signed agreement) and increased number of Junior Professional Officers (JPOs): as of May 2025 the number of JPOs is 7, with a minimum 4 more expected to join later in the year), thereby **strengthening ITU’s talent pipeline and contributing to institutional efficiency**. The use of JPOs has led to operational efficiencies and cost savings of over 2 million USD since January 2023.
* Launch of a **Young Professionals Programme (YPP)** to enhance workforce efficiency by bringing in fresh perspectives and skills. The 1st cohort of YPPs are expected to start in June 2025.
* Enhancements of **procedures for SSAs** (certification of deliverables, guidelines on conflicts of interest) to improve transparency and compliance.
* Participation in the first UN inter-agency project on generative AI in 2024, developing an AI chatbot for HR queries, improving HR service accessibility by automating responses to policy questions, reducing workload, and improving information access.
* Development of **dashboards to provide workforce analytics** and **monitor teleworking** compliance within the policy.
* Implementation of measures to ensure a more **sustainable and cost-effective learning function**, while maintaining the highest standards of training: streamlined language trainings with UNOG to ensure coherence and cost efficiency within a reduced annual cap (more that 13% reduction); adopted a hybrid training model to enhance accessibility, control costs, and maintain a stable budget since 2021; maximized internal resources to sustain high-quality training while minimizing external dependencies.

## Efficient New Building Project and Facilities Management

* Overhaul of the **ITU building project**, which was previously 30% over budget, through rigorous redesign and cost containment measures.
* Implementation of strategic procurement negotiations that secured **40% reductions in energy costs** through optimized supplier contracts.
* Implementation of several solutions to achieve energy savings (including installation of LED lights with motion sensors and motion detectors).
* Test for Genève-Lac-Nation (GLN) project (integrating renewable energy sources and enhancing energy efficiency) in ITU Montbrillant Building. If conclusive, this will allow further reduction in electricity consumption.

## Efficiency Gains in Translation

* Cut of the costs of **translation administrative processes** (20% efficiency bump on a per day per translator basis) with further annual efficiency targets.

## Leveraging Data for Enhanced Decision-Making

* Adoption of integrated **data platforms** to facilitate evidence-based management and performance evaluation.
* Application of **data-driven methodologies** for project tracking, donor reporting, workforce analytics, management of travel expenses and planning, and overall operational forecasting.

## Sector-specific Efficiency measures (at the Bureaux level)

The table below highlights key efficiency gains achieved since January 2023 by the ITU Bureaux:

| Bureau / Sector | Operational Area | Efficiency Initiative |
| --- | --- | --- |
| BR | Software Development | Development of self-service online software that allows users to consult ITU data (e.g. Space Explorer).  Unification of software technologies. |
| BR | IT tools | Development of an AI tool to dispatch correspondence to save staff time in processing e-mails. |
| BR | Space Services | Move BR International Frequency Information Circular (BRIFIC) from DVD to an online version. |
| BR | Capacity Building | Make available Capacity-Building events online (e.g. WRC-2024 on-demand). |
| BR | Software development (proposal) | Proposal to use AI to speed up software development, automate testing, and modernize existing software using newer technologies. |
| BR | Captioning (proposal) | Proposal to migrate to AI captioning once the technology is mature enough and comparable to human captioning. |

| Bureau / Sector | Operational Area | Efficiency Initiative | Estimated Savings/Impact |
| --- | --- | --- | --- |
| TSB | Online programming (e.g., webinars) | Pre-recording webinars, allowing more flexible schedule and focus on more time-sensitive tasks while still delivering important capacity building activities. | Currently trialling this method with around 10% of AI for Good webinars |
| TSB | Content generation and communications | Access to generative AI (ChatGPT-4, Copilot, etc.) to help create and refine external and internal communications. | Faster content and communications generation, allowing also for verification of grammar, clarity, etc. |
| TSB | Event scheduling & management | Kaleidoscope deferred this year to ensure more attention and resources to the events at Palexpo and the AI Skills Coalition. | Additional resources and focus to ensure the success of the events and strategic initiatives. |
| TSB | Event scheduling & management | Consolidating all TSB Study Group workshops related to AI to occur during the AI Summit, leveraging the topical, logistical, and audience synergies. | Significant reductions in logistical, communications and operational expenses, and improved engagement and collaboration. |
| TSB | File editing | Improved automatic extraction of ITU-T terms & definition extraction in TSB Editing unit | 4 days P4/year |
| C&P / TSB | File posting | Automation of ITU-T Recommendations PDF, TOC and SUM files generation in C&P | 4 days G6/year |
| C&P / TSB | File posting | Automation of ITU-T Recs files internal posting on DMS, in all format and languages in C&P | 30 days G5/year |
| Sales / TSB | File posting | Automation ITU-T Recs publication on external Web in Sales | 6 days G6/year |
| TSB | Secretariat | AI-based TSB briefings for the TSB Director's office | 10 days G6/year |
| TSB | Remote meetings settings for ITU-T groups (study /focus/regional/ rapporteur group meetings, etc.) | Automation of settings for approx. 600 ITU-T virtual meetings (equivalent to ~2000 sessions) in the ITU virtual events database, using fully integrated open-source solution. | 400 days P1/year  40 days G6/year |
| TSB | Editing and publication | Permanent streamlining of automated document management | Improved quality and reduced time-to-publication of ITU-T Study Group outputs |
| TSB | Secretariat | Consolidation of SGD Chief function under the Deputy to the TSB Dir | Increased operational efficiency |

| Bureau / Sector | Operational Area | Efficiency Initiative |
| --- | --- | --- |
| BDT | BDT Realignment | The new organizational model strengthens BDT’s capacity to deliver high impact results, facilitates stronger collaboration with partners, and supports Member States in achieving their digital development goals.  The realignment of the Telecommunication Development Bureau (BDT) marks a significant step in reinforcing ITU's commitment to better serve its Membership. |
| BDT | Projects Board | Monitoring projects at different stages of implemented projects with strengthening compliance and accountability through the Projects Board. |
| BDT | Events Board | The efficiency and relevance of BDT events have been strengthened and aligned through the Events Board |
| BDT | Donor biannual reports | Accountability to donors of extra-budgetary resources for projects has been strengthened through the periodic reports. |
| BDT | Creation PPI Division | As part of the realignment exercise, the project implementation support team (i.e., PPI) has been created, which will allow greater efficiency when delivering the expected results. |
| BDT | Capacity Building | Make available Capacity-Building events online (e.g. RDF, RPM, SGs, GSR etc. on-demand) and platforms (e.g., ATCs, DTCs, and ITU Academy). |
| BDT | Capacity Building | Mobilization of extra-budgetary resources through partnership agreements and projects to strengthen capacity development programs at the global level in close coordination and collaboration with Regional and Area offices as well as host countries in the fields. |
| BDT | Aggregated mission requests | Coordination of missions at the global level (including BDT and Regional and Area Offices) in accordance with real needs and resource efficiency |
| BDT | Content generation and communications | Access to generative AI (Copilot) to help create and refine external and internal communications, technical documents, project documents and others |
| BDT | Publications Board | Coordination, effectiveness, and efficiency in ITU publications with strengthening collaboration between different Departments and Regional and Area Offices. |

# Risk Management Framework

* Ongoing development and introduction of a risk management framework and policy based on 2017 COSO Enterprise Risk Management (ERM) framework to **manage risks and controls in a consistent and business-oriented manner** to support the achievement of the strategic goals, expected results, and project objectives
* Adherence to the **Three-Lines Model** (formerly called Three-Lines of Defence) for risk management responsibilities, while for the assessment and improvement of the internal control system, adherence to the COSO Internal Control Integrated Framework, which underpinned the **ITU Accountability Model and Framework** endorsed by the ITU Council in 2022.
* Adoption of **Risk Management and Internal Control Manual** empowers individuals, teams and the organization, to manage risk on a more systematic basis thereby producing better results with fewer surprises.

# Structural and Oversight Reforms

* Establishment of a robust **Oversight Unit** to enhance transparency, compliance, programme evaluation, and improved governance mechanisms.
* Introduction of an **Ombudsman function** to reinforce institutional integrity, dispute resolution mechanisms, and workplace accountability (under recruitment).

# Ongoing and Future Transformation Plan and Initiatives

* The Transformation Roadmap provides a comprehensive blueprint, addressing key processes across five foundational pillars (see Document [C25/55](https://www.itu.int/md/S25-CL-C-0055/en) for the dedicated report):
  1. Governance
  2. Systems, processes and tools
  3. People and culture
  4. Resource optimization
  5. Members and Partners, to include initiatives focusing on improving member and partner experience and service delivery.
* Expansion of **AI-driven automation tools** to enhance institutional productivity and service delivery.
* Further **reduction of administrative costs** through targeted streamlining initiatives and process re-engineering.
* Strengthening of **data analytics capabilities** and development of **executive dashboards** to improve institutional decision-making and strategic planning.
* Review and updating of core legacy systems (ERP, CRM) and streamlining of document processing.
* Enhancing the **member experience during meetings, conferences and events**.
* Strengthening **Results-Based Management**, including via workshops with the membership.
* Continued assessment of opportunities for integration with **UN Global Shared Services** to leverage economies of scale.
* Active participation and ongoing engagement with the UN80 initiative and the HLCM work on efficiency measures: ITU Secretary-General is a member of the UN Task Force and co-leads the Specialised Agencies cluster alongside the ILO.

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