

RESULTS-BASED BUDGETING :
THE EXPERIENCE OF UNITED NATIONS SYSTEM
ORGANIZATIONS

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ACRONYMS

ACABQ	Advisory Committee on Administrative and Budgetary Questions
ACC	Administrative Committee on Coordination
CCAQ	Consultative Committee on Administrative Questions
CPC	Committee for Programme and Coordination
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
ILO	International Labour Organisation
IMO	International Maritime Organization
ITU	International Telecommunication Union
JIU	Joint Inspection Unit
MTP	Medium-Term Plan
RBB	Results-based budgeting
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organization
UNITAR	United Nations Institute for Training and Research
UPU	Universal Postal Union
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization

EXECUTIVE SUMMARY: OBJECTIVE, CONCLUSIONS AND RECOMMENDATIONS

Objective: To learn from the experience of other United Nations system organizations with results-based budgeting (RBB) for assisting Member States in considering the proposal on results-based budgeting for the United Nations.

CONCLUSIONS

A. Applicability of the experience of the specialized agencies and the International Atomic Energy Agency (IAEA) with RBB, and RBB-like, techniques to the United Nations may be somewhat limited in view of the still preliminary level of development of RBB in the other organizations and the need to adapt the methodology to the special needs and characteristics of each organization. (See paras. 17, 20, 77 and 81)

B. To the extent that the other organizations of the System have used RBB techniques, their experience has been mixed in regard to concerns raised about the use of RBB for the United Nations. (See para. 77)

C. Regarding some of these concerns, their experience indicates problems or difficulties that require special attention in considering the Secretary-General's proposal to apply RBB to the United Nations: (See para. 78)

- i. The difficulty for some organizations in applying RBB to all sections of their programme budgets suggests this matter will require careful examination for the United Nations. (See paras. 25-27)
- ii. The lack of agreement among the other organizations on definitions for key

RBB terms highlights the need for coherently developing definitions of these terms for the United Nations within a logical framework. (See paras. 28-31)

- iii. The measures taken by the other organizations in different areas to be ready for RBB illustrate the need for giving comprehensive attention to measures required for assuring the readiness of the United Nations for RBB. (See paras. 33-41)
- iv. The different approaches of the other organizations to taking account of external factors, or uncontrollable circumstances, in the use of RBB highlight the need for determining the best approach for the United Nations. (See paras. 58-61)
- v. The experiences of the other organizations demonstrate that the personal leadership and involvement of Executive Heads in preparing for and implementing RBB, including in particular interaction with Member States, can be critically important. (See paras. 63-66)
- vi. As demonstrated in the experience of the other organizations, both programme and budget expert review bodies can play an enhanced role under RBB in

assisting legislative organs to perform their governance function more effectively. (See paras. 67-70)

D. Related to other concerns about the proposed adoption of RBB for the United Nations, although they still must be examined and decided upon in the United Nations context, the experience of the System has been reassuring: (See para. 79)

- i. The other organizations reported no question about RBB being able to address their own specific needs and characteristics. (See paras. 21-24)
- ii. They all stressed the potential of RBB for significantly enhancing the governance function of Member States by increasing and making more effective their involvement in the full cycle of the programme budget process. (See paras. 45-49)
- iii. RBB has not been used in the other organizations for conducting budget/staff reduction exercises; rather, it has served as a neutral management tool to provide critical assistance in establishing priorities on a more informed basis for achieving either increases or reductions, as circumstances may require. (See paras. 50-52)
- iv. In the experience of the other organizations, qualitative as well quantitative results have been required for justifying resource requirements. (See paras. 53-57)
- v. RBB techniques in the other organizations have given increased importance to the role of the medium-term plan as the principal policy directive for an organization by

strengthening the plan's linkage to programme budgets. (See paras. 72-75)

E. Overall, there are among the other organizations of the System a growing common understanding of, and strong support for, the use of RBB techniques as a tool to achieve increased budget transparency and accountability by focusing on results and using performance indicators to link performance with the budget. (See paras. 22 and 80)

F. High expectations for what can be accomplished with RBB must be tempered by recognition that, like any other methodology, the benefits to be gained will be determined by the care and judgement of both the Secretariat and Member States in their concerted efforts to apply it. (See para. 82)

G. Success in budgetary reforms, including RBB, require a climate of trust and understanding between Member States and the Secretariat and consensus among Member States. (See para. 66)

RECOMMENDATIONS

1. In order to assure appropriate guidance from Member States in resolving the problem of the lack of agreed definitions for key RBB terms, the *Glossary of financial and budgetary terms*, currently being updated by the Consultative Committee on Administrative Questions (CCAQ) of the Administrative Committee on Coordination (ACC), should be reviewed and commented upon by the appropriate bodies of the United Nations system organizations. (See para. 28-32)

2. As a means for seeking to resolve existing concerns about the possible adaptation of RBB to the United Nations, and in order to assure an appropriate participatory role of Member States in adapting RBB to the United Nations, an Open-Ended Working Group should be established at the level of the Fifth Committee, to meet during the 54th session of the General Assembly and off-session as needed, within existing resource levels, at which Secretariat officials, including from Secretariats of other organizations to the extent possible, would provide briefings and respond to questions on all aspects of RBB. (See paras. 25-42)

3. Subject to a General Assembly decision to use RBB for the United Nations, the United Nations Staff College and the United Nations Institute for Training and Research (UNITAR) should be invited to conduct seminars and workshops to help familiarize staff and representatives of Member States with RBB. (See paras. 33, 37, 40 and 43)

4. Future reporting from the Secretary-General of the United Nations on RBB should include a comprehensive assessment of changes that would be required to assure the readiness of the Organization for RBB, regarding areas such as regulations, procedures, management information systems, and training. (See paras. 33-44)

5. Reflecting the uncertainty about how to reflect external factors in the accountability of programme managers under RBB, the Secretary General of the United Nations should submit to the General Assembly as soon as possible a report with recommendations on this

matter, accompanied by the comments of the Advisory Committee for Administrative and Budgetary Questions (ACABQ) and the Committee for Programme and Coordination (CPC). (See paras. 58-62)

6. In view of their roles in the current programme budget process, the CPC and the ACABQ should be invited to comment on their respective roles under RBB. (See paras 67-71)

I. INTRODUCTION

1. United Nations General Assembly resolution 53/205 of 18 December 1998, entitled "Results-based budgeting", requested the Joint Inspection Unit in operative paragraph 11 "to undertake an analytical and comparative study of the experience of the bodies of the United Nations system that are implementing an approach similar to results-based budgeting and to submit its report no later than 31 August 1999".

2. In accordance with this mandate, the present report reviews the experience of organizations of the United Nations system with RBB regarding a number of issues or concerns of Member States reflected in the consensus-based resolution 53/205 and in the debate preceding the adoption of this resolution. Several additional issues also are considered that were not explicitly mentioned in the resolution or preceding debate but have attracted notice and deserve attention in this report.

3. The review is restricted to the regular budget experience with RBB techniques of the specialized agencies and the International Atomic Energy Agency (IAEA) since the proposal before the United Nations General Assembly primarily relates to the use of RBB for the regular budget of the United Nations. A number of United Nations operational funds and programmes, funded through voluntary contributions, the United Nations Development Programme (UNDP) in particular, are introducing budgetary innovations focussing on a results framework and corporate goals. However, although of interest, these experiences go beyond the scope of this report as they are not directly relevant to the immediate issue

under consideration.

4. The programme budgets of the organizations, including those issued most recently, and the mandates given by their inter-governmental bodies with regard to budgeting methodologies have been reviewed. In addition, based on a preliminary desk review and the above mandate of the General Assembly, questionnaires were forwarded to the specialized agencies and IAEA. Those organizations provided useful information for the preparation of the report through their replies and/or during interviews with their knowledgeable officials responsible for budgeting and performance measurement. The Joint Inspection Unit expresses its gratefulness for their full and timely cooperation.

5. Following this introduction, the report consists of three substantive parts. The second chapter discusses the concept of RBB and contains a short overview of the current situation with regard to the types of budget used by the specialized agencies and IAEA. The third chapter lists the main concerns of Member States regarding the use of RBB and examines the experience of the specialized agencies and IAEA with respect to these concerns. The fourth chapter includes some general overall conclusions regarding what can be learned from the experience of the United Nations system organizations with RBB, or RBB-like, techniques.

6. The present report was completed without being able to take advantage of the "comprehensive and analytical report" of the United Nations Secretary-General on his

proposal for results-based budgeting that the General Assembly requested for consideration at its fifty-fourth session (para. 8 of General Assembly resolution 53/205).

7. This report is dedicated to the memory of the late Mr. Joachim Bilger, the former Controller of the World Intellectual Property Organization (WIPO). His untimely and tragic death in the line of duty is deeply regretted. He had led the way in developing the concept of RBB in the United Nations system, and in making practical application of this concept to WIPO. The System will greatly miss its leading pioneer and expert in the development of RBB.

II. BACKGROUND

A. What is results-based budgeting?

8. Results-based budgeting is not new, having been used for a number of years in both the public and private sectors of several developed and developing countries. However, the concept, with its methodology and definitions, cannot be automatically transplanted to the environment of international organizations in general, and United Nations system organizations in particular. United Nations system organizations - with their multilateral, universal character - cover broad areas of sensitive and complex political and socio-economic activities. Thus their decision-making processes seek to achieve a balance of interests through finding consensus among Member States which often have different views on priorities, objectives and results for the programmes of organizations. The search for improved budgeting processes must reflect these fundamental characteristics.

9. There is no fully agreed definition of what exactly constitutes results-based budgeting in general, and certainly not for the international organizations of the United Nations system. Nevertheless, there is a growing common understanding of the term, although the different definitions of the methodology being used stress different elements or attributes of RBB.

10. For the purpose of this report, it seems appropriate to use the definition of RBB offered by the Secretary-General of the United Nations:

A programme budget process in which:
(a) programme formulation revolves

around a set of predefined objectives and expected results; (b) expected results justify the resource requirements which are derived from and linked to outputs required to achieve such results; and (c) actual performance in achieving results is measured by objective performance indicators. (A/53/500 of 15 October 1998, Summary)

11. Also useful is a more compact form of the definition presented at an internal briefing of the United Nations Secretariat on 19 July 1999:

RBB is about formulating programme budgets that are driven by a number of desired results which are articulated at the outset of the budgetary process, and against which actual performance is measured at the end of a biennium.

12. RBB involves the creation of a logical framework, which is made up of such elements as: objectives, expected results, outputs, and performance indicators. Throughout the United Nations system, there are differences among the organizations in defining these terms (see Annex for "Glossary of results-based budgeting terms as defined by United Nations system organizations"). The logical framework establishes a top-down link and interrelationship among objectives and results and resource requirements. A key feature of the RBB process is the establishment of expected results, with the achievement of them measured by objective performance indicators. This leads to performance measurement linking the achievement of results to the budget and thereby more transparency and direct

accountability of programme managers.

B. Overview of budgeting in the United Nations system

13. Until recently, two types of budget have existed in United Nations system organizations. The first type is the object-of-expenditure budget, which allocates resources to expenditures for items such as salaries, travel and equipment required to implement activities during a given period. The second is the programme budget which allocates resources to specific programmes and sub-programmes, generally based on succinct work plans and an indication of priorities.

14. Historically, there has been a general trend from the object-of-expenditure budget to the programme budget in the development of budgeting methodologies of organizations of the United Nations system. In 1989, five organizations of the United Nations system (the International Civil Aviation Organization (ICAO), the International Maritime Organization (IMO), the International Telecommunication Union (ITU), the Universal Postal Union (UPU) and WIPO) employed object-of-expenditure budgeting (see Table 1 of JIU/REP/89/9, Vol. II in A/45/130), while in 1995 only three organizations (IMO, UPU and WIPO) still used this methodology (see Table 1 of ACC/1995/FB/R.49). In 1999, no organization is using object-of-expenditure budgeting.

15. The switch to programme budgeting by some specialized agencies, such as the International Labour Organization (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Health Organization (WHO), and the

Food and Agriculture Organization of the United Nations (FAO) goes as far back as the 1950s and 1960s. Thus, several organizations had some 15 years of experience in programme budgeting when the United Nations adopted this budgeting methodology in 1974.

16. RBB is a third type of budgeting now emerging. The results-based budget is in large measure an evolutionary improvement on the programme budget. Both types of budget provide for resource allocations by specific programmes, with work plans and an indication of priorities. Often programme budgets have included elements related to expected results and strategic planning. The distinguishing feature of the results-based budget, as stated earlier, is its primary focus on expected results and the use of performance indicators to measure achievement of those results.

17. As can be seen from the table on the following page, with the exception of WIPO, a full application of the RBB process is not reflected in the most recent budget documents of the specialized agencies and IAEA; RBB is still at the developmental phase for these organizations. Nevertheless, all of the organizations reported that they are experimenting with RBB techniques, or already have integrated significant attributes of RBB techniques into their programme budgets. Thus, they are undertaking far-reaching budgetary reforms which are gradually leading towards the use of the RBB concept, and they are doing so in accord with the special characteristics of their organizations, taking into account their own existing procedures and traditions.

Table: Use of results-based budgeting elements in the budget documents of the Specialized Agencies and IAEA

	Objectives	Expected results	Outputs	Performance indicators	Performance measurement in terms of expected results and reported to the Member States in a separate document
ILO (Programme and Budget Proposals for 2000-2001)	✓		✓	planned	planned
FAO (Summary Programme of Work and Budget 2000-2001)	✓	planned in the MTP	✓	planned in the MTP	planned
UNESCO (Draft Programme and Budget 2000-2001)	✓	✓	✓	planned	planned
ICAO (Programme Budget of the Organization 1999-2000-2001)	✓		✓		
WHO (Proposed Programme Budget 2000-2001)	✓	✓		planned	planned
UPU (Proposals for the Programme and Budget 2000)	✓		✓	✓	
ITU (Draft Budget for 2000-2001)			✓		
WMO (Programme and Budget for 2000-2003)	✓		✓		
IMO (Work Programme and Budget for the Twenty-First Financial Period 2000-2001)	✓	✓	✓	planned	planned
WIPO (Draft Programme and Budget 2000-2001)	✓	✓	✓	✓	✓
UNIDO (Programme and Budgets, 2000-2001)	✓		✓		
IAEA (The Agency's Programme and Budget for 1999 and 2000)	✓		✓	"Indicators of success"	

For comparison purposes

UN (Proposed Programme and Budget for the Biennium 2000-2001)	✓	"Expected accomplishments"	✓		
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III. CONCERNS REGARDING RESULTS-BASED BUDGETING: EXPERIENCE OF UNITED NATIONS SYSTEM ORGANIZATIONS

18. As mentioned in the introduction, in accord with the mandate for this report in para. 11 of resolution 53/205, this chapter analyses and compares the experience of the specialized agencies and IAEA regarding concerns about the use of RBB for the United Nations, i.e., concerns of Member States reflected in the resolution, and in the debate in the Fifth Committee preceding adoption of it, or concerns that otherwise have attracted notice and deserve attention in this report. The purpose is to see how other organizations of the United Nations system have addressed these concerns and determine what could be learned that would assist the General Assembly in its consideration of RBB.

19. Each section below addresses a specific concern, beginning with a statement of the concern, followed by a review of the relevant experience of the other United Nations system organizations, and ending with some comments or observations. In reviewing the experience of the organizations, the organizations are not named because the intent is to identify patterns that have emerged in the handling of a concern rather than to get into a detailed description of the practices of each organization. This approach also helps to compact the text and make it more readable.

20. As noted previously, the experience of other organizations of the United Nations system with RBB is still limited in varying degrees for each of them. This fact must be borne in mind when considering the relevance of that experience for application to the circumstances of the United Nations.

A. Requirement for RBB to address the needs and reflect the characteristics of the United Nations

21. *Concern:* The point was made in the Fifth Committee that, like a custom-made suit, one model of RBB could not be borrowed from somewhere else and just applied to the United Nations. As indicated in resolution 53/205, there must be assurance that RBB addresses the needs and reflects the characteristics of the United Nations. Were the General Assembly to approve the use of RBB, it would have to be refined to become a budget methodology by and for the United Nations. In particular, the new methodology must be designed to respect fully the political nature of the United Nations.

22. *Organization experience:* None of the Secretariats of the other organizations of the System indicated concern about RBB techniques addressing the needs and reflecting the characteristics of their organizations. Rather than concern about the use of RBB techniques not being appropriate for the special circumstances of their organizations, most of the responses from the organizations pointed out how the RBB techniques they are using help to meet the needs they now are facing, inter alia, to:

- provide Member States with actual results;
- put scarce resources in priority areas;
- assure more transparency for Member States in the budget formulation, approval and implementation process;

- improve the dialogue with Member States on proposed programmes and activities of the Organization; and
- ensure the competitive edge and relevance of their Organization.

23. *Comment:* The fact that none of the other organizations of the United Nations system indicated concern about adapting RBB to their specific needs and characteristics is significant because, as indicated in section B below, at least some organizations have experienced difficulty in making RBB concepts applicable to all sections of their programme budgets.

24. The experience of other organizations thus suggests that the requirement for adapting RBB to the specific needs and characteristics of an organization goes without saying for them; rather than seeing this concern as a possible block to the adoption of RBB, they have focused attention on resolving specific problems encountered. Indeed, it is notable that the other organizations, in their responses regarding this concern, stressed the benefits of RBB in meeting important needs that United Nations organizations now are facing.

B. Applicability of RBB concepts to all sections of the programme budget

25. *Concern:* Concern was expressed regarding the possible difficulty of applying basic RBB concepts to all sections of the United Nations programme budget. The need for knowing how “expected results”, which are essentially unquantifiable or unpredictable, would be defined was cited. There also was reference to the difficulty of evaluating, or measuring, the results of

complex and long lasting political activities in terms of “performance indicators”, and doing so in a meaningful way within one biennium. As one delegate observed, the United Nations Charter goal of saving succeeding generations from the scourge of war is an objective that could not be achieved within one biennium.

26. *Organization experience:* None of the responses of the organizations regarding this concern indicated that the basic RBB concepts, such as “expected results” and “performance indicators”, could not be applied to all sections of their programme budget. In fact, one response specifically assured that “there is no restriction in terms of size, complexity or ‘politically-charged’ nature” of activities for the applicability of RBB. Nevertheless, there was broad, if not universal, recognition among the organizations that doing so for some programme budget sections is difficult, and even so difficult in some cases that “one should not be too insistent”. An alternative suggested for when the identification of meaningful results is not possible would be the use of workload statistics and output recording. It was interesting that most of those reporting difficulties indicated the difficulties were with the more quantifiable non-substantive (administrative and support) activities rather than the usually more qualitative substantive activities.

27. *Comment:* The experience of other organizations of the United Nations system indicates that application of basic RBB concepts to all sections of the programme budget can be difficult. Clearly how this concern is addressed for the special circumstances of the United Nations will require careful consideration by the Secretariat and the General Assembly.

C. Definition of key RBB terms: objective, output, expected result, performance indicator, and performance measurement

28. *Concern:* In order for RBB to be successful in the United Nations, there needs to be a good and precise definition of each of the key RBB terms, such as “objective”, “output”, “expected result”, “performance indicator”, and “performance measurement”.

29. *Organization experience:* As can be seen in the Annex, the organizations of the System do not agree on a specific definition for each of the key RBB terms. In fact, the organizations do not all use the same terms. This lack of agreed definitions has been noted in reports of the ACABQ (A/53/7 of 16 September 1998) and the CCAQ (ACC/1998/6 of 21 September 1998 and ACC/1999/6 of 10 February 1999).

30. While most organizations do have definitions for the terms they use, some have indicated that their definitions are not yet “official” and others have not yet developed specific definitions. Two organizations are using, or mostly using, definitions formulated by the United Nations in its *Guide to results-based budgeting* (Version 1.0 of 23 October 1998). Some use glossaries formulated for other purposes that already contain the terms being used, e.g., *A glossary of evaluation-related terms used in the International Civil Aviation Organization* (June 1997). Another organization has no “official” definitions of the terms, but uses an interpretation of them that for practical purposes is broadly in agreement with the JIU’s *Glossary of evaluation terms* (JIU/REP/78/5 of November 1978 in A/34/286).

31. *Comment:* The lack of agreement among the organizations of the System on

definitions for the key RBB terms suggests that this is an area of RBB development that still requires further consideration in a systematic manner without being rushed. A System-wide glossary of key RBB terms would help Member States, who participate in essentially all of the United Nations system organizations, to make comparisons among the organizations of the use of RBB in order to identify best practices and take advantage of lessons learned in one organization for the benefit of their participation in other organizations.

32. The key RBB terms will be included in an update of the *Glossary of financial and budgetary terms* that is being prepared by the CCAQ of the ACC. In order to assure appropriate guidance from Member States, such a glossary should be commented upon by the appropriate bodies of the United Nations system organizations. **(Recommendation 1)**

D. Readiness for RBB: regulations, procedures, management information systems, and training

33. *Concern:* The need for caution in adopting RBB was stressed in view of uncertainty about how ready both the Secretariat and Member States are for it. This concern for readiness relates to possible requirements for RBB, such as: revised programme planning and financial rules and regulations; new procedures and a new management culture in view of the increased decentralization and delegation of authority; management information systems to provide for enhanced monitoring, reporting and evaluation; and extensive training for the Secretariat at all levels. Related to training, there was a concern that Member State understanding of and consensus on RBB

would be essential for its successful establishment at the United Nations.

34. Organization experience: Responses from the other organizations of the System indicated the significance of assuring the readiness of organizations for RBB. Reflecting their different levels of RBB implementation and their different internal circumstances, the readiness for RBB of the other United Nations system organizations has been quite varied. For example, one organization that is just beginning to implement RBB techniques has not yet initiated any specific readiness steps and is still operating on a “trial and error” basis to identify what would be required, whereas others have made, or expect to make, some significant changes, e.g. one organization will even have to amend its statute to allow for a biennial programme budget.

35. In regard to financial regulations and rules, some have found the new RBB techniques largely compatible with what now exists and others have had to make changes, e.g., to allow for transfers among objects of expenditures and to eliminate financial input controls. Most organizations reported having to make changes or adjustments in their internal administrative/budgetary and programming procedures to allow for, *inter alia*, financial authorization being decentralized to programme managers with new accountability and monitoring arrangements to reflect this.

36. The vital need for an effective management information system to implement RBB techniques was stressed generally by the organizations, with several having developed, or planning to develop, new systems to improve the underlying processes in the programme budget formulation phase and, even more

importantly, the monitoring and reporting phases. One organization noted that its current management information system currently is too focused on inputs to provide adequate support for RBB and needs to be refocused on activities, outputs, and performance measurement in general as a basis for decision-making. Another indicated the need to provide on a real time basis indicators regarding the consumption of resources and the level of the completion of activities.

37. The central importance of training for implementation of RBB techniques also was stressed generally in the responses from the organizations. All of the organizations have conducted training of staff in one form or another, including, *inter alia*, briefing sessions for senior managers, detailed instruction on programme and budget preparations, presentations on the use of performance indicators, and workshops with external experts. Several organizations also reported on arranging for briefing sessions and workshops with Member States to keep them informed on changes for the new programme budget methodology.

38. Comment: The experience of other United Nations system organizations confirms the importance of assuring the readiness of both the Secretariat and Member States before adopting RBB for the United Nations.

39. Financial regulations and rules need to be reviewed to assure they are consistent with the intent and processes of RBB, with special attention to reflecting the new emphasis on results. As regards regulations and rules governing programme planning, the Secretary-General has suggested modification should await further experience because the existing regulations and rules for programme planning already “presage

the introduction of a results-based approach". (A/53/500, para. 33) Internal administrative budgetary and programming procedures should be adjusted to reflect the new management culture of RBB, including increased delegation of authority to programme managers and their accountability for performance. Management information systems must not be too focused on inputs for supporting effectively the new RBB processes, including adequate reporting for the benefit of both senior management and Member States on resources being consumed and results being achieved.

40. Ultimately, of course, none of the above serves any purpose unless staff at all levels - and their staff association representatives - are briefed fully on the nature and intent of RBB and given the specific training required for implementation of the new budget methodology.

41. As the organizations stressed in their responses, a major purpose of RBB techniques is to involve Member States more meaningfully in all phases of the programme budget process. For this reason, arrangements must be made to assure they are kept fully informed on changes planned for adapting to RBB, and to assure they participate effectively in developing these changes.

42. As a means for seeking to resolve existing concerns about the possible adaptation of RBB to the United Nations, and in order to assure an appropriate participatory role of Member States in adapting RBB to the United Nations, an Open-Ended Working Group should be established at the level of the Fifth Committee, to meet during the 54th session of the General Assembly and off-session as needed, within existing resource levels, at

which Secretariat officials would provide briefings and respond to questions on all aspects of RBB. Officials from Secretariats of other organizations should be invited to participate to the extent possible. **(Recommendation 2)**

43. Subject to a General Assembly decision to use RBB for the United Nations, the United Nations Staff College and the United Nations Institute for Training and Research (UNITAR) should be invited to conduct seminars and workshops to help familiarize staff and representatives of Member States with RBB. **(Recommendation 3)** This would be in accord with Recommendation 1 of the JIU report entitled *Training institutions in the United Nations system: programmes and activities*. (JIU/REP/97/6 in A/52/559)

44. Future reporting from the Secretary-General of the United Nations on RBB should include a comprehensive assessment of changes that would be required to assure the readiness of the Organization for RBB, regarding areas such as regulations, procedures, management information systems, and training. **(Recommendation 4)**

E. Governance and involvement of Member States in RBB decision-making

45. *Concern:* There is a concern that the use of RBB in the United Nations would make it difficult for Member States to perform their proper governance function. This is because it is felt that RBB techniques might not allow Member States to be fully involved, as at present, in the full cycle of the programme budget process in accordance with existing United Nations regulations, rules and programme budget

procedures. In particular, the view was expressed that, although RBB would focus on results, attention on input management would still be required in view of the United Nations being an intergovernmental body.

46. Organization experience: While some of the other organizations of the System indicated they had not had sufficient experience with RBB techniques to comment on this concern, those with more experience reported that the use of RBB techniques has enhanced the governance role of Member States by increasing the effective involvement of Member States in programme budget decision-making. It was noted that it is the purpose of RBB to facilitate the work of legislative organs in assessing the merits of programme budget proposals.

47. Several of the organizations indicated that there has been only a slow shift in the focus of Member States from input control to monitoring the achievement of results. One organization indicated that, in fact, rather than a complete shift in focus from inputs to results, the main improvement of RBB is now a double focus on both inputs and results. They explained that, whereas the previous budget process focused on input review and questions of efficiency, the RBB approach focuses on the effectiveness and relevance of the organization. Thus there is now a double focus on both efficiency and effectiveness.

48. For some organizations, the use of RBB techniques has made no change in the level of budgetary information provided to Member States. For others, the detail of budgetary information made available to Member States for decision-making purposes would be expected to decrease, but it was noted that nevertheless such data often would be made available in a more

effective manner for information purposes. One organization observed, however, it is hard in practice to distinguish what information is for decision-making purposes and what is for information only.

49. Comment: The experience of the other United Nations system organizations indicates that the use of RBB techniques has enhanced the governance role of Member States by allowing them to be better informed and thereby have more meaningful impact in programme budget decision-making and implementation. In terms of Member States remaining informed about input management, the organizations' experience indicates that the use of RBB techniques does not have to preclude this kind of data being made fully available to Member States, at least for information purposes. The distinction between what is provided for information purposes and what is provided for decision-making purposes, of course, in practice is not really as significant as it sounds since it is up to Member States themselves to determine how they use the information they are given.

F. RBB as a budget and/or staff reduction exercise

50. Concern: The concern was expressed that RBB would be used as a means for achieving cost and/or staff reductions in order to have a lower budget level.

51. Organization experience: No organization reported having used RBB techniques for budget or staff reduction purposes. In fact, the point was made by one organization that the use of such techniques has increased the support of Member States for the organization leading to expansion of activities and budget. Others observed that,

however, when faced with the need for reductions, the use of RBB techniques has assisted the organization in prioritizing their activities and enhancing their efficiency. As a tool to facilitate management of organizations, RBB techniques have assisted senior management in screening programme budget proposals and in reprogramming funds and redeploying staff from phased out projects to new priority areas. They also are reported to have led to efficiency gains in support services (e.g., printing and translation) as a result of more effective use of these services by substantive programmes.

52. Comment: United Nations system experience indicates there is no reason to consider RBB in itself as a budget and/or staff reduction exercise. Rather, the experience indicates RBB is a neutral management tool that can assist Executive Heads and Member States in prioritizing activities and rationalizing the use of resources to achieve more effectively either increases or reductions in budget and/or staff, as circumstances may require. In fact, by more openly linking resources to expected results, RBB serves to demonstrate for Member States and Executive Heads, in tangible and explicit terms, the extent to which there would or would not be negative consequences due to reductions in budget and/or staff that might be under consideration.

G. Quantitative results as the sole basis for justification of resource requirements

53. Concern: In view of the international, multilateral character of the United Nations, there was a concern that RBB would lead to expected quantitative results being used as the sole basis for

justification of resource requirements. It was pointed out that simple quantitative information, as provided in the current format, is not a meaningful measure of a programme's success unless it is accompanied by qualitative information. Underlying this concern, there is perhaps a more fundamental one that basing justifications solely on results, quantitative or qualitative, raises questions about the role of Member States in the budget process.

54. Organization experience: Quantitative results are not the sole basis for the justification of resource requirements in the other organizations of the System. Most of them indicated that performance indicators for results could be qualitative as well as quantitative. The point was made that justifying resource requirements solely on the basis of quantitative results certainly was not the intent of RBB since it is meant to address qualitative aspects of results and of the impact of activities, in addition to just quantitative aspects. One organization indicated in this regard that RBB techniques have assisted more on the qualitative side in the justification of proposed activities. Nevertheless, at least some of the organizations did indicate the desirability of quantifying results where this is possible, and they are making efforts to develop meaningful performance indicators for this purpose.

55. In regard to the role of Member States in the budget process, the responses of the organizations stressed that the basic intent of RBB - with its focus on results, as the term indicates - is to increase the transparency of the programme budget process. They indicated this is meant to allow for an improved dialogue with Member States throughout the budget formulation, approval and implementation phases, and this intent largely has been

achieved.

56. *Comment:* While some of the theoretical discussion about RBB may indicate the need for quantified results to serve as the basis for justifying resource requirements, the experience of the other organizations in the System with RBB makes it clear that this has not been the case in actual practice. The use of and need for considering qualitative aspects of results, as well as quantitative, is well recognized by the other organizations in the System, and this could be the expected practice in the United Nations as well.

57. Regarding the more fundamental concern about the role of Member States in the budget process, the experience of other organizations in the System makes it clear that justifying resource requirements on the basis of results, quantitative or qualitative, enhances that role rather than decreases it. The use of results for justifying resource requirements is intended to provide Member States with a more objective basis for making their decisions on programme proposals and for evaluating programme performance, but their judgement is still required to evaluate and interpret the meaning and relevance of the results used.

H. Taking account of external factors in RBB

58. *Concern:* Although not explicitly addressed in resolution 53/205 or in the Fifth Committee debate preceding adoption of the resolution, a great uncertainty and unease about how to take account of external factors, or uncontrollable circumstances, in determining responsibility for results underlies concerns about the use of RBB. If programme managers are to be held accountable for actual results and not

just outputs, how is their accountability to be measured since factors beyond their control can play such a large - and sometimes uncertain - role, both positive and negative, in determining actual results?

59. *Organization experience:* This is a concern that is still being addressed within the other organizations. For example, the response from one organization noted "an obvious difficulty in the UN system context", which is that "actions by [the Specialized Agencies] and their effective impact are inextricably linked to, and dependent upon, action by Member Nations themselves".

60. Different approaches are being used among the other organizations to deal with this concern regarding external factors:

- The most common approach is to be sure that work plans, and thus the logical framework analyses, make allowance for the impact of external factors, but it is recognized that this is not always feasible.
- Addressing the problem of linkage to actions of Member States noted above, another approach is for the organization to develop partnership with its constituents - by involving them as much as possible in the formulation of programme budget proposals - so as to reduce the impact of at least those external factors related to the actions of its constituents.
- A third approach is to use reprogramming when significant external factors occur, i.e., adjust the expected results to the new circumstances.
- A fourth option is to define expected

results narrowly so that their achievement is largely within the control of the organization. Although some might think this represents little advance beyond current output budgeting, those advocating this option argue that “results” are not just “outputs” since “results” would record features that allow for the identification of effectiveness and emphasize the relevance to end-users. Furthermore, it is suggested, the “results” could be viewed in the context of external factors and thereby further demonstrate the degree of effectiveness and relevance of the organization.

61.. *Comment:* A manner for handling this concern that is agreed and well understood, both within the Secretariat and among Member States, would be most important for instituting RBB since accountability of programme managers for results is so central to the effective implementation of this new budget methodology. The different approaches of the other organizations of the System in attempting to deal with this concern clearly indicate that further attention is required in determining how to take account of external factors, or uncontrollable circumstances, when using RBB techniques.

62.. In view of the above, the Secretary-General of the United Nations should be requested to submit to the General Assembly as soon as possible a report with recommendations on how to reflect external factors in the accountability of programme managers under RBB. This report should be accompanied by the comments of the ACABQ and the CPC. **(Recommendation 5)**

I. Personal involvement and leadership of Executive Head for RBB

63.. *Concern:* To what extent does the effective development, introduction and implementation of RBB require the personal involvement and leadership of the Executive Head of an organization? This is a concern that deserves attention even though, similar to the previous one, it was not addressed explicitly in either resolution 53/205 or in the Fifth Committee debate preceding approval of the resolution.

64.. *Organization experience:* For some organizations, it appears that the Member States have been a major motivating force in efforts to institute the use of RBB techniques. However, even in these cases, the Executive Head certainly supported such efforts. The other organizations indicated a leading role and personal commitment by their Executive Heads toward the use of RBB, although the extent of this did vary among the organizations. Demonstrations of the personal leadership role of Executive Heads include instances where performance indicators were added at the personal initiative of an Executive Head to those already mandated, or an Executive Head formed special senior expert and management groups to assist in developing and coordinating the use of RBB techniques in his organization. As one organization reported, the personal commitment of the Executive Head to the use of RBB techniques is most important in order to assure that RBB techniques are readily adopted by senior management and staff in the organizations.

65.. Another important area where Executive Heads of the other organizations played a key leadership role was in presenting or introducing the use of RBB techniques to Member States. The Executive

Heads of several organizations made special efforts to consult with and involve Member States in the development of RBB techniques for their organizations, and to be sure that the needs and interests of Member States were being met.

66.. *Comment:* Success in budgetary reforms, including RBB, requires a climate of trust and understanding between Member States and the Secretariat, and consensus among Member States. The experience of the other organizations of the System demonstrated the importance of Executive Heads toward achieving this goal by playing a leading role in developing and implementing RBB techniques, and also in involving Member States in the development process. Executive Head leadership toward the use of RBB techniques can be critically important for assuring the commitment of an organization's secretariat to the use of RBB and for achieving the effective participation of Member States in the RBB process, both of which are required for the use of RBB techniques to be successful.

J. Impact of RBB on the role of expert programme and budget review bodies

67.. *Concern:* There has been a concern that RBB's shift in focus from inputs to results would lead to a significant decrease in the role and influence of expert programme and budget review bodies, such as the CPC and the ACABQ for the United Nations. Again this is a concern that is not explicitly reflected in resolution 53/205 or in the Fifth Committee debate preceding approval of the resolution, but there have been expressions of it.

68.. *Organization experience:* Although

some organizations had not yet had sufficient experience regarding this matter, those with experience indicated that the increased focus of RBB techniques on results has facilitated the work of expert review bodies by increasing the transparency of resource allocations, which would enhance their roles. Certainly none of the organizations indicated any reduced significance in the roles of expert review bodies due to the use of RBB techniques.

69.. *Comment:* Judging from the experience of the other organizations of the System with RBB, there appears to be no reason to expect that the adoption of RBB for the United Nations would decrease the role and influence of either the CPC or the ACABQ. Clearly the role of the CPC would be significantly enhanced. The new focus on expected results in the Secretary-General's draft programme budget would make the CPC review of the programme budget proposals much more meaningful, and its report and recommendations therefore would play a more significant role in Fifth Committee decision-making on the draft programme budget. Perhaps even more significantly, the voice of the CPC would be greatly strengthened by its review of a much more meaningful programme performance report that would be based on actual results achieved. The CPC comments and recommendations on this report would provide critically important support for the Fifth Committee governance function.

70.. However, although the role of the CPC would be enhanced, there would not be a corresponding decrease in the role of the ACABQ; the two expert review bodies are not in a zero-sum game situation. While RBB is intended to put more focus on expected results, and the results actually achieved, the record of the other organizations is that RBB also increases the

transparency of resource allocations. This would greatly assist the ACABQ in performing its continuing important role. As noted in section E of this chapter above, regarding “Governance and involvement of Member States in RBB decision-making”, one organization made the point that the main improvement to be gained from RBB techniques is a double focus on both inputs and results. With a clearer linkage of resource allocations to expected results, the ACABQ’s review of resource allocations would become even more meaningful in the future. Furthermore, the more meaningful programme performance report also would provide the Advisory Committee with a greatly improved basis for making its recommendations on the resource allocations projected in a draft programme budget.

71.. In view of their roles in the current programme budget process, the CPC and the ACABQ should be invited to comment on their respective roles under RBB. **(Recommendation 6)**

K. Relationship between RBB and the Medium-Term Plan

72.. *Concern:* Since the Medium-Term Plan is the principal policy directive for the United Nations, the possible adoption of RBB by the United Nations requires clarity about the relationship between RBB and the Medium-Term Plan (MTP). Like the previous three concerns, this matter was not addressed specifically in resolution 53/205 or in the Fifth Committee debate preceding approval of the resolution, but it is a concern about which there should be no question.

73.. *Organization experience:* For those organizations of the System that currently

are using medium- and long-term plans, the adoption of RBB techniques clearly has not detracted from such plans serving as the principal source of policy guidance for the organizations. Many of the organizations referred to the need for linking the RBB process to their medium- or long-term plans. Such plans provide a framework within which the objectives of the organizations are established for a specified period of time, and the programme budgets of the organizations serve as the instruments for implementing those objectives.

74.. *Comment:* The experience of the other organizations of the System makes it clear that RBB is just a methodology used for preparing and implementing programme budgets without changing the source of policy guidance and objectives to be served by the programme budgets. The fact that the use of RBB techniques would not change the role of the MTP as the principal policy directive for the Organization should be clearly understood in considering adoption of RBB for the United Nations.

75.. Rather than detracting from the role of the MTP, RBB techniques could bring new life and meaning to the MTP. The emphasis on defined results in the new methodology would allow for a clearer relationship between the programme budget and the MTP. This, in turn, could serve to improve the usefulness of the MTP by encouraging a more meaningful identification of tangible objectives in the MTP in order to serve as a solid basis for establishing expected results.

IV. LESSONS LEARNED

76.. Chapter III demonstrates that the experience to date of the specialized agencies and IAEA with RBB has been mixed in regard to concerns raised about the use of the methodology for the United Nations. For some of these concerns, it is important to have seen that the experience can be considered reassuring. Of more direct significance for the purposes of this report, the experience of the organizations of the System also indicates a number of possible problems or difficulties related to some of the concerns that need to be given careful consideration in examining the Secretary-General's proposal to use RBB techniques for the United Nations.

77.. As pointed out in previous chapters, however, the actual usage of RBB techniques is still very much in a developmental stage among the other organizations of the System. Thus, the lessons to be learned from their experience with RBB must be somewhat qualified.

78.. Bearing this in mind, Chapter III indicates the following concerns require special attention by the Fifth Committee of the General Assembly in its consideration of the Secretary-General's proposal to apply RBB to the United Nations:

- Definition of key RBB terms. The lack of agreed definitions for key RBB terms among the organizations makes it clear this is an aspect of the new methodology that still requires further development. Without meaningful and well understood definitions for terms such as “expected results” or “performance indicators”, in particular, the use of RBB techniques would fail to provide significant benefit compared to current programme budgeting techniques.
- Readiness for RBB. Readiness in all areas for RBB, including regulations, procedures, management information system, and training, is clearly important for the successful introduction of RBB, and measures to assure this require comprehensive attention.
- Taking account of external factors in RBB. The different approaches of the other organizations to taking account of external factors, or uncontrollable circumstances, in their use of RBB methodology indicates the need for giving this matter great attention in order to assure it is addressed effectively, and in a manner appropriate to the circumstances of the United Nations.
- Personal involvement and leadership of Executive Head for RBB. The personal leadership and involvement of Executive Heads can be critically important for success in both introducing and, more importantly, implementing RBB.
- Applicability of RBB concepts to all sections of the programme budget. The difficulty of some organizations in applying RBB concepts to all sections of their programme budgets indicates that this could be especially difficult for the United Nations programme budget in view of the broad range of activities included in it.

- Impact of RBB on the role of expert programme and budget review bodies. Both programme and budget expert review bodies could play an enhanced role in assisting the Fifth Committee of the General Assembly in taking full advantage of using RBB techniques by assuring a double, and reinforcing, focus on both efficiency and effectiveness.

79.. While the concerns indicated above will require special attention in the Fifth Committee of the General Assembly, it is important to remember that chapter III also indicates the experience of the United Nations organizations has been reassuring regarding a number of other concerns. These other concerns, which of course still must be examined and decided upon in the United Nations context, are:

- Requirement for RBB to address the needs and reflect the characteristics of the United Nations. None of the organizations reported any question about RBB being able to address their own special needs and characteristics.
- Governance and involvement of Member States in RBB decision-making. They all stressed the potential of RBB techniques for enhancing the governance function of Member States by increasing and making more effective their involvement in the full cycle of the programme budget process.
- RBB as a budget and/or staff reduction exercise. Rather than being used for conducting budget and/or staff reduction exercises, RBB techniques have provided for the organizations a neutral management tool to assist in the prioritization of activities and resources so that either increases or reductions, as circumstances may require, can be

achieved on a more informed basis.

- Quantitative results as the sole basis for justification of resource requirements. Qualitative as well as quantitative results are required for justifying resource requirements.
- Relationship between RBB and the Medium-Term Plan. The use of RBB in no way displaces the role of the Medium-Term Plan as the principal policy directive for an organization; the focus on results may help to improve the usefulness of the MTP by providing for a clearer relationship between it and the programme budget.

80.. An overall point that emerges from this review of the experience of other United Nations system organizations with RBB is the strong support that RBB, at least as a concept, has gained throughout the United Nations system. All of the organizations indicated they are using and/or developing RBB, or RBB-like, techniques as a tool to achieve increased transparency and accountability for Member States through better linkage of programme performance to the budget.

81.. The experience of the other United Nations system organizations with RBB and RBB-like techniques, even if somewhat limited, is an important source that certainly ought to be consulted in considering the proposed adoption of RBB for the United Nations. However, in trying to take advantage of this experience, as useful and important as it may be, one must keep in mind that possible lessons learned can be only suggestive in view of the still preliminary level of development of RBB in the other organizations, and the need to adapt the methodology to the special needs and characteristics of each organization. In

the end, the United Nations will have to be charting its own course in any decision it may make on the use of RBB budget methodology.

82.. Many organizations have high expectations about what can be accomplished with RBB. While RBB could greatly assist in assuring the competitiveness and relevance of the United Nations for the new century, such expectations must be tempered by recognition that there is nothing magic about it. Like any other budget methodology, the benefits to be gained from the use of RBB for the United Nations ultimately will be determined by the care and judgement of both the Secretariat and Member States in their concerted efforts to apply it.

Annex

Glossary of results-based budgeting terms as defined by United Nations system organizations

Organization	Objective
United Nations	<i>An objective is an overall desired achievement, involving a process of change and aimed at meeting certain needs of identified end-users/clients within a given period of time. Objectives can be met through reaching certain results.</i>
ILO	<p>The development objective essentially describes the ultimate reason for undertaking the programme/project. Development objectives are “higher-level objectives” and should be formulated within the context of the wider development objectives of the country and/or the social partners concerned. However, the development objectives of the programme/project should not necessarily be identical to the national development objectives, which may be too general for the programme/project concerned. The key word to the concept of the development objective is to contribute.</p> <p>The immediate objective describes the situation that is expected to exist at the end of the programme/project. It shows the change that the programme/project itself is expected to bring about. It shows in what way the target groups will be better off. The immediate objective, therefore, must be stated as ends to be achieved, not as actions to be undertaken or as means to be used. As far as possible, an immediate objective should be stated in quantifiable or verifiable terms. The keyword to the concept of the immediate objective is to achieve.</p>
FAO	<i>Objectives are the purposes and aims of an activity, representing the desired state which the activity is expected to achieve and are expressed in terms of the benefits to be realized by the target group. Objectives are usually conceived of in terms of hierarchical levels: achievement of the specific short or medium-term objectives of an activity (level I) should contribute to the fulfilment of broader, long-range objectives at a higher level which are beyond the range which the activity could achieve by itself (level II). Clearly-stated objectives can greatly facilitate evaluation, while vague or non-operational objectives make evaluation difficult.</i>
UNESCO	<i>Objectives are long term commitments, against which results are scaled.</i>
ICAO	<p>Objectives are the purpose and aims of an activity representing the desired state which is expected to be achieved within a given period, and directed towards an identified target group or location. Clearly-stated objectives can greatly facilitate evaluation, while vague or non-operational objectives make evaluation difficult. The conceptual framework of evaluation begins with the activity’s objectives. The latter are usually conceived in terms of hierarchical levels as described below:</p> <p>Development (or higher level) objectives characterizes a programme level beyond or above the objective or purpose of a specific programme, project or process. It provides the reason for the activity and specifies a desired end towards which the efforts of ICAO, UNDP and/or the beneficiary country are being directed. It may be a macro- or multi-sectoral objective or simply a problem which a project or programme is expected to solve or make better. It is not synonymous with long-term objective.</p> <p>Immediate objective of a project, a term coined by the UNDP, refers to the change which is to be created or accomplished by the project for the purpose of correcting an identified problem. The change is the effect or result the project is expected to achieve if completed successfully and on time. The term immediate can be misleading. It implies there is another later objective, but a project has only one objective - due at project completion.</p>
WHO	Being finalized
UPU	<i>Objectives are established at the corporate level. The term “Goals” is used for objectives at the level of tactics.</i>
ITU	
WMO	
IMO	<i>Objectives are the purpose and aim of a project/programme, describing the desired state which is expected to be achieved within a given period (expected results).</i>
WIPO	<i>An objective is an overall desired achievement, involving a process of change and aimed at meeting certain needs of identified end-users/clients/ customers within a given period of time. Objectives should be realistic and attainable. Objectives are formulated in a way to reflect the aim at bringing about a change or benefit. Objectives must be achievable within the biennium.</i>
UNIDO	<i>See definition by the United Nations</i>
IAEA	<p><i>Objectives are the target or results to be achieved. They are what is expected ultimately to be achieved stated in terms of the need to be improved through IAEA involvement, or intended or expected results/effects.</i></p> <p><i>Overall objectives are the high-level targets to be achieved to which the programme element will contribute directly or indirectly.</i></p> <p><i>Specific objectives are the shorter-term targets or expected results to be achieved for specific target groups.</i></p>

Organization	Inputs
United Nations	<u>Inputs</u> are personnel and other resources necessary for producing outputs and achieving results.
ILO	<u>Inputs</u> are the resources necessary to carry out the activities and produce the outputs. Inputs should normally be listed by source of funds, i.e., international and national contributions. The former usually includes funds for experts, consultants, purchase of equipment, training, evaluation, etc.; the latter may include salaries of local support staff and office premises.
FAO	<u>Inputs</u> are the goods, services, personnel and other resources provided for an activity with the expectation of producing outputs and achieving the activity's objectives.
UNESCO	
ICAO	<u>Inputs</u> are the personnel, goods, services and other resources provided for an activity with the expectation that they will lead to outputs and to the achievement of the activity's objectives within a specified time-frame.
WHO	Being finalized
UPU	<i>See definition by the United Nations</i>
ITU	
WMO	
IMO	<u>Inputs</u> are personnel and other direct costs necessary for achieving outputs.
WIPO	<u>Inputs</u> are the staff and other resources mobilized to achieve the programme objectives.
UNIDO	<i>See definition by the United Nations</i>
IAEA	<u>Inputs (resources)</u> are the immediate products, services, or resources (financial, staffing, and support) sufficient to carry out the activities and produce the outputs.

Organization	Outputs
United Nations	<i>Outputs are final products or services delivered by a (sub)programme to end-users/clients.</i>
ILO	<i>Outputs are the products which result from the programme/project activities. They might be training materials, reports, curricula, or people trained. Outputs should be described as concretely and precisely as possible and in quantifiable terms.</i>
FAO	<i>Outputs are the specific products which an activity is expected to produce from its inputs in order to achieve its objectives. Since activities may appear in sequence or in stages or at different levels, it is important to note that one activity's output may serve as another activity's input, i.e., a training manual produced as an output of project A may be an input to project B. A project might also have intermediate outputs and inputs.</i>
UNESCO	<i>Outputs are products created by any action taken</i>
ICAO	<i>Outputs are the specific final products or services which an activity is expected to produce from the inputs provided. Since activities may appear in sequence or in stages or at different levels, it is important to note that one activity's output may serve as another activity's inputs, e.g., a training manual produced as an output of Project A may be an input to Project B. An activity might also have intermediate outputs and inputs.</i>
WHO	Being finalized
UPU	<i>See definition by the United Nations</i>
ITU	
WMO	
IMO	<i>Outputs are the specific products that can reasonably be expected to be produced by the project programme with the inputs provided and activities undertaken in order to achieve the stated objective.</i>
WIPO	<i>Outputs are services provided or products delivered irrespective of the benefits accruing from such services or products.</i>
UNIDO	<i>See definition by the United Nations</i>
IAEA	<i>Outputs are the immediate product or service that can be guaranteed as a consequence of IAEA's activities provided during programme delivery or implementation, i.e., the "deliverables" the programme element aims at producing.</i>

Organization	Expected results
United Nations	<i>Expected results</i> are desired outcomes involving benefits to end-users/clients, expressed as a quantitative standard, value or rate. Results are the direct consequence or effect of the generation of outputs, leading to the fulfilment of a certain objective.
ILO	<i>Expected results</i> are described in the statement of the immediate objectives (see the <i>ILO definition of objectives</i>).
FAO	<i>Expected results</i> are the changes in the desired state which the activity is expected to achieve. There are as many levels in expected results as there are in objectives: the first level corresponds to effects, defined as the use to which outputs are put and by whom; the second level corresponds to impact, defined as a broader change in line with long-range strategic objectives and beyond that which the activity could achieve by itself.
UNESCO	<i>Expected results</i> are effects produced on reality by any action taken.
ICAO	<p><i>Expected results</i> should reflect the major outputs of the activities. They should be related, when applicable, to the underlying objectives of the Strategic Action Plan, which are to be achieved through the implementation of the respective activities and their outcomes. Expected results therefore contribute to the discussion of issues that are important for evaluation, such as the effectiveness and relevance of the activities themselves.</p> <p><i>Annual expected results</i> should be placed at the sub-programme or programme element levels. They should represent precise and concrete results to be achieved during a yearly period. Special attention should be given to the incorporation into each statement of annual expected results, of the anticipated outputs of the activities and the probable users of the outputs, as a basis of the formulation of indicators of success.</p>
WHO	Being finalized
UPU	
ITU	
WMO	
IMO	
WIPO	<i>Expected results</i> describe the derived outcomes of a programme, involving benefit to the end-users/clients, expressed as a qualitative or quantitative standard, value or rate. Results are the direct and often tangible effect or consequence of the delivery or an output/service, leading to the attainment of a certain objective. Results may relate to improvement in knowledge, skills, attitude, behaviour, condition, quality and timeliness or services, etc. Results should be specific, measurable, realistic and time-based.
UNIDO	<i>See definition by the United Nations</i>
IAEA	See the IAEA definition of objectives.

Organization	Performance indicators
United Nations	<i>A performance indicator is a feature or characteristic used to measure whether the results have been achieved.</i>
ILO	<u>Indicators of achievement</u> add precision to the formulation of the immediate objectives. Indicators provide verifiable evidence to assess the progress made towards the achievement of the immediate objectives of the programme/project. When an objective is stated in quantifiable and measurable terms the need to identify indicators is diminished.
FAO	<u>Indicators</u> are objectives and specific measures of changes and results expected from an activity. Specifically, they should measure actual versus the expected results; that is, the actual use made of outputs by the target beneficiaries. Performance indicators are user-focussed and “proxy” indicators are utilized where direct measurement is either difficult, costly or not feasible. They are built on pre-defined effectiveness criteria, which provide indications as to whether the activity is moving towards achieving stated objectives, but they should not be confused with impact indicators which are specifically developed to compare pre- and post-activity or project situation.
UNESCO	<i>Performance indicators are tools built together with the project to record its implementation.</i>
ICAO	<p><u>Indicators</u> are analytical tools which enable the objective of an activity to be represented in a format that is measurable against the actual outcome of the activity. Indicators should be explicit and objectively verifiable. They may be either direct or indirect (proxy) but, in either case, must be specifically related to a specific level of project or programme design e.g., objective, outputs, etc. Types of indicators include baseline date, end-of-project-status, performance indicators and progress indicators.</p> <p><u>Performance indicators</u> measure or specify expected results at the output level and can be quantitative, qualitative or both. They are designed to provide a scale against which to measure and show the activity’s progress towards producing its outputs and achieving its objectives. Indicators for performance should therefore provide the answer to the question: “What is going to show me that I have accomplished my objective?” To decide on an indicator, recall the objective of an activity and the target audience: What is the expected result of the effort and who is the intended user of the service?</p> <p><u>Progress indicators</u>, as the name implies, measure progress at the work/activities/tasks level and include “bench-marks”, “events” and “milestones”.</p>
WHO	Being finalized
UPU	<i>See definition by the United Nations</i>
ITU	
WMO	
IMO	<u>Indicators</u> are quantified measures of the desired results and may be expressed in cost terms or other relevant measures of performance, e.g., levels of services or outputs.
WIPO	<u>Performance indicators</u> describe features or characteristics used or measure the progress of the programme in reaching its expected results. A distinction is made between the indicator itself - characteristic - and its value, which is to be obtained by measurement. Indicators must be relevant, meaningful measurable, observable and verifiable. Indicators must be designed in a way that allows their measurement to be cost-effective. Two types of indicators are used. First, quantitative indicators involving amount, numbers, ratios or percentages. Second, qualitative indicators, which cannot be measured by means of numbers, but examine whether a situation or feature is present or not.
UNIDO	<i>See definition by the United Nations</i>
IAEA	<i>Performance indicators are “yardsticks” or “indicators of success” for assessing whether the objective has been achieved or what progress has been made towards the objective. “Performance indicators” are results-oriented indicators specifying what is expected to be obtained through the use of IAEA in terms of benefits to Member States.</i>

Organization	Performance measurement
United Nations	<i>Performance measurement</i> is the determination of values of performance indicators for a given period of time or at a certain reference date
ILO	
FAO	<i>Performance measurement</i> is the process of applying performance indicators and assessing results.
UNESCO	<i>Performance measurement</i> is reaching conclusions of adequate analysis of performance indicators
ICAO	<i>Programme performance assessment</i> is used to describe those procedures and practices used to monitor the performance of programmes and projects and to judge their success. Performance assessment should place great emphasis on the acquisition of information about whether the results were achieved than on why they were not achieved. Assessment should be made on the basis of an internal monitoring/review system using qualitative as well as quantitative standards or criteria.
WHO	Being finalized
UPU	<i>See definition by the United Nations</i>
ITU	
WMO	
IMO	
WIPO	<i>Performance measurement</i> is the process of evaluating, on the basis of the performance indicators, the extent to which expected results have been achieved.
UNIDO	<i>See definition by the United Nations</i>
IAEA	

Sources:

- United Nations: United Nations *Guide to results-based budgeting*, Version 1.0, 23 October 1998.
- ILO: *Design, Monitoring and Evaluation of Technical Cooperation Programmes and Projects: A Training Manual*, ILO, 1996.
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- UNESCO: Definitions provided by the Secretariat in its reply to a JIU questionnaire.
- ICAO: *A Glossary of evaluation-related terms for use in the International Civil Aviation Organization (ICAO)*, June 1996.
- WHO: Information provided by the Secretariat in its comment on the draft JIU report on RBB.
- UPU: Definitions provided by the Secretariat in its reply to a JIU questionnaire.
- IMO: Definitions provided by the Secretariat in its reply to a JIU questionnaire.
- WIPO: Definitions provided by the Secretariat in its reply to a JIU questionnaire.
- UNIDO: Definitions provided by the Secretariat in its reply to a JIU questionnaire.
- IAEA: Definitions provided by the Secretariat in its reply to a JIU questionnaire.

The words in italics have been added by JIU.