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CONVENTION CONCERNING THE PROTECTION OF
THE WORLD CULTURAL AND NATURAL HERITAGE

WORLD HERITAGE COMMITTEE

Thirty-fifth session

Paris, UNESCO Headquarters

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**Item 5C of the Provisional Agenda: Follow-up of the recommendations by
the External Auditor on the audit of the World Heritage Centre**

SUMMARY

The report of the audit of the World Heritage Centre of UNESCO by the External Auditor in December 2009 was presented to the World Heritage Committee at its 34th session in Brasilia, Brazil (*WHC-10/34.COM/5G*).

The present document is a follow-up to Decision **34 COM 5G** in which the World Heritage Committee calls for "urgent implementation of all recommendations made by the External Auditor, inter alia for monitoring of extra-budgetary funds, centralizing of all calls for funds and collection of contributions by the Comptroller and introduction of a results-based management approach (as referred to in Recommendations 7, 8, 10 and 11)"; as well to "provide a report on the implementation of all recommendations for the 35th session of the World Heritage Committee in 2011".

In accordance with Decision **34 COM 5G**, the World Heritage Centre presents a report on the progress achieved in the implementation of the recommendations of the Office of the External Auditor and the provisions of the cited decision. For each recommendation the document indicates the measures taken to ensure their application.

Draft decision: 35 COM 5C, see Point III.

I. BACKGROUND

1. For the sake of clarity, it should be noted that throughout this document the expression « External Auditor » refers to the Office of the External Auditor. The two terms represent the same institution, which is why both are used¹.
2. The audit of the UNESCO World Heritage Centre (WHC), conducted by the External Auditor in December 2009, falls within an audit plan carried out by the Office of the External Auditor for the year 2009. To recall, this audit concerned the organization of the Centre, its financial and human resources, its financial situation and the execution of its missions to implement the *World Heritage Convention* from 2007 to 2009.
3. The audit report was presented to the World Heritage Committee at its 34th session (Brasilia, 2010) in the document *WHC-10/34.COM/5G*. At the request of the World Heritage Committee, the audit report was discussed by the members of the World Heritage Committee in the framework of the working group on the budget. Based on the results of these discussions, Decision **34 COM 5G** was taken by the World Heritage Committee (Brasilia, 2010), emphasizing in particular the following points:
 - a. implementation of all the recommendations of the External Auditor,
 - b. finalisation of the recruitment of a Deputy Director for the Management of WHC,
 - c. compatibility of private partnerships with the *Convention's* provisions.
4. Following Decision **34 COM 5G**, WHC worked on implementing these provisions; as well as the recommendations involving the different Central Services of UNESCO, notably the Bureau of Financial Management (BFM – merging the former Bureau of the Budget and the Bureau of the Comptroller), the Bureau of Human Resources Management (HRM) and the Section for Multilateral and Private Funding Sources (BSP/CFS/MLT).
5. Thanks to numerous measures taken by WHC in cooperation with the central services, most of the recommendations have been applied (i.e. 60% implementation) as illustrated below. In accordance with Decision **34 COM 5G**, the following developments and changes should, among others, be noted:
 - a. calls for funds addressed to States Parties are henceforth signed by the representative of BFM;
 - b. the Deputy Director responsible for the Management of the World Heritage Centre was appointed by the UNESCO Director-General on 15 November 2010 (DG/Note/10/52 Rev.) ;
 - c. the strategy for new private partnerships to strengthen the implementation of the 1972 *Convention* has been developed by WHC (see *Document WHC-11/35.COM/INF.5A.1*).
6. In the following chapter WHC presents the measures taken or in the process of being taken since the last session of the World Heritage Committee (Brasilia, 2010). As a result:
 - a. Nine (9) recommendations are «implemented», meaning that the measures have been taken to fully respond to the recommendation of the External Auditor;
 - b. Six (6) recommendations are «in the process of being implemented », meaning that the envisaged measures should be implemented by December 2011.
7. In conclusion, whilst WHC is committed to applying the remaining six recommendations of the External Auditor, it wishes to draw the attention of the World Heritage Committee to the fact that four of them require a decision by the governing bodies, namely the General Assembly of States Parties to the *Convention* (No. 3 and No.12) and the World Heritage Committee (No. 13 and No. 15).

¹ This paragraph concerns the French version of the present document.

II. REPORT ON PROGRESS ACHIEVED IN THE IMPLEMENTATION OF THE RECOMMENDATIONS OF THE EXTERNAL AUDITOR AS AT 31.03.2011

#	Recommendation	Proposed actions	Timetable	Expected results
1	Maintain a reasonable balance between the permanent financial and human resources and external/temporary ones, which have allowed the Centre to expand its activities over the last ten years.	WHC is developing a new human resources strategy to maintain a balance between permanent and temporary staff taking budgetary restrictions into account. This human resources strategy for WHC should be approved by the Assistant Director-General for Culture.	31/12/2011	New human resources strategy for the World Heritage Centre developed.
2	Consolidate and streamline cooperation with other United Nations institutions and programmes around a small number of themes.	<p>WHC has strengthened its cooperation with other United Nations agencies, in particular for historic urban landscape, Biodiversity, etc. To illustrate these examples: UN-Habitat, UNEP, and UNDP have contributed to the drafting of the new UNESCO recommendation on historic urban landscapes. Moreover, the <i>World Heritage Convention</i> being one of the 6 Conventions relating to biodiversity, WHC participates actively in the Liaison Group for Biodiversity and has notably prepared the common statement presented by the CITES Secretary General at the High-Level Segment of COP 10.</p> <p>In this perspective of close cooperation, the World Heritage Committee, in its Decision 34 COM 5D (Brasilia, 2010) has requested WHC in particular to « identify opportunities, of potential collaboration with the UNESCO Man and Biosphere Programme (MAB), United Nations Environment Programme (UNEP), the Convention on Biological Diversity (CBD) and other MEAs, and taking into account the needs of Small Island Developing States (SIDS), in the form of pilot projects to address the relation between conservation and sustainable development at regional/ecosystem scales. ».</p> <p>This activity aims to be pursued and strengthened on a permanent basis.</p>	Recommendation enforced	Cooperation within the United Nations system around themes such as historic urban landscape, Biodiversity, etc. strengthened.

#	Recommendation	Proposed actions	Timetable	Expected results
3	Carry out audits on the organization, activities or finances of the Centre according to an established timetable.	<p>The periodicity of audits is not the responsibility of the Secretariat but of the Governing Bodies (World Heritage Committee, General Assembly of States Parties to the <i>Convention</i>, Executive Board and the General Conference of UNESCO).</p> <p>As an example, following Resolution 17 GA 9 adopted by the General Assembly at its 17th session (UNESCO 2010), an evaluation by the External Auditor of the implementation of the Global Strategy and PACTe was carried out from December 2010 to March 2011 (using three modules).</p> <p>WHC, in consultation with the UNESCO Internal Oversight Service (IOS), is preparing a draft resolution on the periodicity of audits to submit to the General Assembly for adoption in October 2011.</p>	30/10/2011	Resolution adopted by the General Assembly on the periodicity of audits.
4	Ensure transparency in the recruitment process.	WHC follows UNESCO regulations and procedures as regards recruitment. Indeed, the new posts filled in 2010 for WHC have been selected respecting the announcement procedure and competition of candidatures in a fair, open, transparent manner and in accordance with the criteria of efficiency, competence, integrity and adequacy as regards the post requirements.	Recommendation enforced	UNESCO regulations and procedures concerning recruitment enforced.
5	Engage in reflection so as to develop a clear, long-term and shared vision (WHC-ADG/CLT-HRM-BB-IO) of the human resources and core skills needed to implement the World Heritage safeguarding strategy as well as the funding sources to mobilize.	<p>WHC is developing a new strategy for human resources which should be approved by the Assistant Director-General for Culture.</p> <p>The study of the workflow, carried out by WHC in cooperation with the Bureau of Human Resources Management (HRM), has already improved the procedure for the classification of posts. This new procedure was then adopted by HRM and will be applied throughout UNESCO.</p> <p>Moreover, emphasis is placed on human resources conforming to the strategic objectives defined by the Committee and the 11 main activities identified in the IOS report of April 2009 (« Mapping of the Workload of the WHC for 2008 »).</p>	31/12/2011	New strategy for human resources for WHC developed.

#	Recommendation	Proposed actions	Timetable	Expected results
6	Seek more balanced distribution of the staff in the « Professional » category.	<p>In conformity with UNESCO Staff Regulations, the recruitment of WHC staff is performed on « as wide a geographical basis as possible », respecting the « highest standards of efficiency, competence and integrity ».</p> <p>In addition, vacancy notices for professional posts (such as for posts WHC-026 and WHC-064) are henceforth posted on the WHC site linked to the UNESCO site to broaden dissemination.</p> <p>Finally, in conformity with Staff Regulations, the final decision to appoint of professionals lays with the Director-General.</p>	Recommendation enforced	<p>UNESCO regulations and procedures concerning recruitment enforced.</p> <p>Vacancy notices for professional posts posted on the WHC site.</p>
7	Ensure that the World Heritage Centre introduces a results-based management approach in its programming documents (C/4 and C/5) fully consistent with the methodology used by the Organization.	<p>WHC is an integral part of the UNESCO Programme and Budget. In this respect, it is obliged to apply the results-based management (RBM). The different components of the RBM (expected results, performance and reference indicators) are formalised in the SISTER tool.</p> <p>To improve the quality of the information provided, WHC encourages its staff to follow training programmes proposed by the Bureau of Strategic Planning (BSP). Indeed, 25 WHC staff have participated in either training workshops or courses in respect of results-based management and it is foreseen that all staff of the Management Department be trained by May 2011.</p>	Recommendation enforced	Results-based management applied in programming documents
8	Centralise all calls for funds in the Bureau of the Comptroller.	Consultations were held between WHC and the Bureau of Financial Management in this respect. As a result, letters for calls for funds are prepared by WHC, verified and signed by BFM before being sent to the States Parties, as was the case for the 2011 letters.	Recommendation enforced	Calls for funds centralised with the Bureau of the Comptroller.
9	Provide better information combined if necessary with training for project managers in the project management under FABS.	In order to further structure extrabudgetary projects, WHC has created the WBS (Work Breakdown Structure) Elements to facilitate reporting on these projects. New projects managed by WHC contain these elements.	Recommendation enforced	Project managers better informed due to WBS Elements.

#	Recommendation	Proposed actions	Timetable	Expected results
10	<p>Establish, in cooperation with the Bureau of the Budget and the Bureau of the Comptroller, consolidated financial information on the three funding sources, in accordance with a framework provided by the Committee and using a nomenclature (by function and nature) compatible with the Organization's financial and budgetary system. With regard to extrabudgetary funds, prepare a multi-year management chart that shows, year after year, new obligations, funds collected and the amount of outstanding funds. Provide this information each year to the Committee.</p>	<p>Numerous consultations have been held between WHC and BFM, which lead to the presentation of the consolidated financial statement on all three funding sources of WHC to the 34th session of the Committee (Document <i>WHC-10/34.COM/16</i>).</p> <p>In its Decision 34 COM 16 (Brasilia, 2010), the World Heritage Committee taking note of Recommendation 10 of the report of the External Auditor, « notes with satisfaction that for the first time the Secretariat has, in collaboration with UNESCO Central Services, submitted consolidated financial information on all three funding sources. »</p>	Recommendation enforced	Consolidated financial information from the three funding sources certified by BFM.
11	<p>Make the necessary arrangements to make it possible to calculate, in consultation with the Bureau of the Budget, if necessary, carrying out a small scale trial, the overall cost of implementation of projects, with a view to integrating all the direct and indirect costs of a project.</p>	<p>WHC applies the policy in force within the Organization relating to the calculation of total costs for projects (cost-recovery policy).</p> <p>It should be noted that in order to minimize complications of reallocation of indirect costs, it has been decided to adopt an approach aiming at directly impacting the quasi-totality of costs to the projects.</p> <p>In this way, the impact of remaining indirect costs relating to the projects will not be significant.</p>	Recommendation enforced	Cost-recovery policy applied.

#	Recommendation	Proposed actions	Timetable	Expected results
12	Further this analysis through the audit requested by the General Assembly of States Parties at its 17th session.	<p>The evaluation by the External Auditor of the implementation of the Global Strategy and PACTe decided by the General Assembly was carried out from December 2010 to March 2011.</p> <p>Upon termination of Module 2, some recommendations concerning private partnerships had been expressed by the External Auditor. These recommendations were immediately integrated into the new partnership strategy of WHC and jointly presented by WHC and the Section for Multilateral and Private Funding Sources (BSP/CFS/MLT) to the External Auditor at the beginning of Module 3 for PACTe.</p> <p>The report of the External Auditor shall be presented to the World Heritage Committee at its 35th session and examined by the General Assembly of States Parties at its 18th session in 2011.</p>	30/10/2011	Conclusions of the External Auditor provided.
13	In the forthcoming evaluation of the <i>reinforced monitoring mechanism</i> , clearly define the modalities for disseminating and discussing the more frequent reports, which are the point of this procedure.	Following the request of the World Heritage Committee at its 33rd session, an updated report on the efficiency and effectiveness of the reinforced monitoring mechanism and the modalities for distribution in cases where the mechanism is applied in order to evaluate its regularisation in the <i>Guidelines</i> is prepared for the 35th session of the Committee in 2011. See the evaluation of the reinforced monitoring mechanism in Document <i>WHC-11/35.COM/7.2</i> .	30/06/2011	Updated report on the efficiency and effectiveness of the reinforced monitoring mechanism and modalities of distribution in order to evaluate its regularization in the <i>Guidelines</i> approved by the World Heritage Committee.
14	Seek to draw up with actors concerned documents setting out good practices to be observed with regard to activities planned within the World Heritage sites, their buffer zone or the ecosystem in which they lie.	For each of its programmes, the Secretariat encourages the identification of best practices with the parties concerned. In particular, the State Party of Brazil, at the 17th session of the General Assembly of States Parties (UNESCO, 2009), proposed to welcome an expert meeting on this subject (Resolution 17 GA 9). An international expert meeting on « Relations between the <i>World Heritage Convention</i> , Conservation and Sustainable Development » was held from 29-31 March 2010 in Paraty (Brazil).	Recommendation enforced	Action plan elaborated by experts in World Heritage and sustainable development. Feasibility study on recognition of best practice in the implementation of the <i>Convention</i> in progress.

#	Recommendation	Proposed actions	Timetable	Expected results
14		<p><i>(Continuation and end of the proposed action relating to Recommendation 14)</i></p> <p>The conclusions of the meeting were submitted for study to the Committee at its 34th session in Brasilia (Brazil) in the form of a draft Action Plan prepared by the experts which was welcomed with satisfaction.</p> <p>A consultative meeting on the theme « World Heritage and Sustainable Development », with all the States Parties and relevant Secretariats of Multilateral Environmental Agreements (MEA) must now be organized, prior to the 36th session of the World Heritage Committee in 2012.</p> <p>Potential cooperation with the MAB Programme, UNEP, CBD and other MEAs must be studied, taking into account the needs of Small Island Developing States (SIDS), in the form of pilot projects, to examine relations between conservation and sustainable development at the regional as well as ecosystem scale.</p> <p>Finally, WHC is carrying out a feasibility study on the recognition of best practices in the implementation of the <i>World Heritage Convention</i> as requested by the World Heritage Committee in its Decision 34 COM 12 to be presented at the celebration of the 40th anniversary of the <i>Convention</i> in 2012.</p>	Recommendation enforced	<p>Action plan on World Heritage and sustainable development elaborated by the experts.</p> <p>Feasibility study on the recognition of good practices in the implementation of the <i>World Heritage Convention</i> in progress.</p>

#	Recommendation	Proposed actions	Timetable	Expected results
15	<p>Systematically include a reference to tourism in the management plan to be attached to the nominations for inscription on the World Heritage List. Require site managers to gather and present annually information on the number of visitors to the sites and on the resources derived from them. Supplement to this effect the <i>Operational Guidelines</i> for implementing the World Heritage Convention.</p>	<p>The World Heritage Committee has requested WHC « to organise a new and inclusive programme on World Heritage and Sustainable Development » and « outline the objectives and approach for the implementation of this programme » for its 35th session in 2011 (Decision 34 COM 5F.2, Brasilia 2010).</p> <p>This programme shall have new impetus due to cooperation with the United Nations Foundation which will fund an expert to work on this subject. WHC will develop this new programme and present it to the World Heritage Committee at its 35th session in June 2011.</p> <p>The effect of this programme on the <i>Operational Guidelines</i> shall be the subject of a decision by the World Heritage Committee. See Document <i>WHC-11/35.COM/13</i> and in particular Point 4.b of Annex 5 on factors affecting the property.</p>	31/07/2012	<p>New inclusive programme on World Heritage and sustainable tourism developed and adopted by the World Heritage Committee.</p>

III. DRAFT DECISION

Draft Decision: 35 COM 5C

The World Heritage Committee,

1. *Having examined Document WHC-11/35.COM/5C,*
2. *Recalling Decision **34 COM 5G** adopted at its 34th session (Brasilia, 2010),*
3. *Also recalling Decision **184 EX 8 Part II**, adopted by the UNESCO Executive Board at its 184th session (30 March – 15 April 2010),*
4. *Takes note of the implementation of the 9 recommendations of the External Auditor, notably the centralisation of all calls for funds and collection of contributions by the Comptroller and the adoption of a result-based management approach;*
5. *Takes also note of the progress in 6 other recommendations of the External Auditor and the efforts accomplished concerning private partnerships;*
6. *Notes with satisfaction the nomination of the Deputy Director for Management for the World Heritage Centre, thus closing the recruitment process for this post.*