

Item 5 of the provisional agenda

## REPORT BY THE DIRECTOR-GENERAL ON THE FOLLOW-UP TO DECISIONS AND RESOLUTIONS ADOPTED BY THE EXECUTIVE BOARD AND THE GENERAL CONFERENCE AT THEIR PREVIOUS SESSIONS

### PART IV

#### REPORT BY THE DIRECTOR-GENERAL ON THE USE OF CONSULTANT CONTRACTS IN 2011

#### ADDENDUM

##### COMMENTS BY THE UNESCO STAFF UNION (STU)

Pursuant to Item 2805.7 of the UNESCO Administrative Manual, the UNESCO Staff Union (STU) submits its comments on this report by the Director-General

1. The UNESCO Staff Union (STU) notes the legitimacy of the Board's request and considers that the budget earmarked for contracts for services (more than \$60 million, which is nearly 9% of the Organization's resources) can be a source of substantial budgetary savings in these times of crisis.
2. STU notes that the Board's request (186 EX/Decision 6 (VIII)) dealt specifically with commercial organizations (for-profit entities) and that the Secretariat's reply deals indiscriminately with contracts for services concluded by UNESCO with for-profit and non-profit firms. The contracts for services considered by the Administration exclude "non-standard" contracts (often maintenance contracts) and contracts for goods and related services. STU regrets these choices which impoverish any substantive analysis.
3. The figures advanced form part of a summary macro analysis that gives the Board information only on the financial amounts committed for contracts for services, their breakdown by funding source (GEF/PPF/OPF) or their location (Headquarters or the field).
4. STU considers that the weakness of that approach lies in the very definition of contract for services and in the classification of contracts used at UNESCO (through SAP/Sharepoint), which does not make it possible to distinguish clearly for-profit firms from non-profit companies or to gauge their structure (free-lance company, SMI/SME, multinational ...) or to estimate the financial amounts committed yearly for each.

5. As ways and means of using resources rationally and efficiently are being sought, STU recommends that reflection be initiated on the classification of contracts and that it be supported by an SAP tree structure that will permit the retrieval of reliable and cross-tabulated data and the tracking of effective lines of expenditure.

6. Lastly, and this is a constant practice, STU recommends that the distinction between an incorporated firm and a one-person company be drawn more closely in order to put an end to disguised employment practices involving the use of a contract with a for-profit firm for the sometimes quasi-continuous recruitment of one natural person, avoiding other forms of contract (consultant, temporary, supernumerary, etc.). STU denounces the award of such contracts which supplant performance by efficient and available permanent staff and which waste the Organization's human and financial resources quite unlawfully and revoltingly.