

External Review of IUCN 2011, Final Report, January 2012: Management Response

Director General & Deputy Director General / Managing Director, IUCN, January 2012

IUCN has been reviewed at 4-year intervals since 1991, at the request of our framework donors/partners. Each review has played a significant role in renewing the relationship with our framework donors, sharpening our strategies, as well as well as setting the agenda for organizational change. As in the past, the 2011 Review was undertaken by a team of outside consultants, selected jointly by the framework donors and the Director General.¹ The review process spanned the period January-August 2011, and the Final Report was approved by the Review Steering Committee² in January 2012. We appreciate the hard and detailed work of the Review Team and welcome their thorough analyses and constructive recommendations.

In particular, we note with satisfaction that the Report contains 14 significant recommendations, which are easier to respond to and implement than the 60+ recommendations of the 2007 Review.³ According to the 2011 Review Report, “the approach of the Review Team is to produce fewer, yet more strategic recommendations than the 2007 Review. Hence, recommendations and future directions are divided into one overarching recommendation and a series of subsidiary recommendations. The recommendations should be interpreted positively by IUCN stakeholders, particularly senior Secretariat management and IUCN’s Framework Donors. Taken together, the set of recommendations are designed to equip IUCN to bring about the sweeping change required to fill its niche as the global conservation Union. This is an invaluable role which the IUCN is uniquely placed to undertake.”

The overarching recommendation of the Review is to

“1. Critically assess and (re-) define IUCN’s purpose –take progressive and decisive steps to re-discover its purpose, re-define its niche as the global conservation union, and re-configure the organisation to meet global challenges.”⁴

We agree with the goal of the overarching recommendation and are taking relevant action along **four strategic dimensions**:

- A. **Strengthening IUCN’s niche and purpose:** The External Review was undertaken at a time when IUCN was already carrying out extensive consultations within the Union on its niche and business model and on the formulation of the IUCN Programme 2013-16, to provide it with a clearer purpose. The draft texts on niche and purpose currently under consideration by IUCN’s Council and to be presented for approval by Members at the 2012 World Conservation Congress are:
 - a. *Niche:* IUCN is the world’s authority on conserving nature and natural resources for people’s livelihoods, setting standards, fostering policies and bringing together a diverse membership of States, government agencies and civil society for nature-based solutions to global challenges and environmental governance, aimed at sustainable development and biodiversity conservation on the ground.

¹ 2011 review undertaken by: ITAD Ltd., United Kingdom, in association Biodiversity International Ltd.

² The Steering Committee composed of two representatives of the framework partners and two of IUCN senior management.

³ A detailed management response will be prepared in a tabular form, showing current and planned activities and responsibilities for each recommendation. This management response matrix will be submitted to the framework donors and partners who co-sponsored the External Review.

⁴ In this management response, reference is made to the short version of the Review’s recommendations, as contained on page viii of the Executive Summary. More elaborate recommendations are found on pages 127-129 of the main report.

- b. *Programme purpose*: During 2013-16, IUCN aims to integrate the work of communities engaged in biodiversity conservation, nature-based solutions and sustainable development. Each element of the Programme purpose bridges the biodiversity, sustainability and development communities and addresses nature's benefits to people's livelihoods. During 2013-16, IUCN will: Expand efforts to halt the loss of biodiversity and link-up with efforts for poverty reduction and sustainable development; Develop and promote nature-based solutions to global, regional and local development challenges, providing tangible livelihood benefits and conserving biodiversity; and Support and influence the implementation of the CBD Strategic Plan⁵ and use the Plan to advance development goals that apply nature-based solutions to enhance people's livelihoods.

B. ***Gaps between roles and funds of the Union***: The Review correctly points to a serious challenge for IUCN. The influence of the Union on policy and action goes well beyond the activities of its Programme, but funding for this broader influencing role is limited. Likewise, the expectations of many Members for capacity-building services cannot be met from current revenue. Core resources in the form of Membership dues and parts of donor framework funding are inadequate for the costs of the Union. Conversely, the Review also points to the "costs of democracy", both directly in terms of organizing and servicing Congress, Council and Commissions and indirectly through slow decision-making and weak priority-setting. We address these dilemmas as follows:

- a. The new IUCN business model contains two business lines entitled "Strengthening policy and governance" and "Engaging and leveraging the Union". The aim is to seek funding, or at least: cost-recovery, of functions and services inherent to the Union.
- b. The Financial Plan 2013-16 contains a budget line entitled "Supporting Union Governance and Development", which makes transparent the direct costs of the Union.
- c. The Operational Plan 2013-16 attempts to make transparent also the contributions (financial and knowledge-wise) made by the thousands of IUCN Commission members on a voluntary basis to the implementation of the IUCN Programme.

These measures do not, however, guarantee a solution to the gap between roles and funds of the Union. The suggestions included in the Review Report resemble those in our business model, but transparency and the pursuit of proactive business lines are only first steps toward finding the appropriate funding base to carry out IUCN's policy-influencing functions.

C. ***"Drifting" away from the Union purpose into dependency on aid projects***: The Review emphasizes the need to "achieve Union" and cautions against a drift from the Union as a Membership-based organization towards IUCN as a project implementing organization funded by official development assistance (ODA). We agree that project funding of the IUCN Programme is a challenge because of the diverse preferences of donors and the short-term nature of many aid and even philanthropic projects. However, IUCN's Programme is built upon feedback loops of science-knowledge-policy-action. IUCN bridges local, regional and global policy and action. Without field-testing and lessons learned from communities and other stakeholders in biodiversity conservation, IUCN cannot fulfil its mandate and provide well-informed policy advice. Furthermore, most Members of IUCN from industrial, emerging and developing countries demand the Union's presence and impact at country level. Framework partners contribute core resources to IUCN to see biodiversity conservation on the ground. We are dealing with the "drifting" risk and project dependency in the following ways:

- a. The IUCN Programme 2013-16 has been drafted through the most extensive consultations⁶ with Members and Commissions in IUCN history.

⁵ See the CBD Strategic Plan for Biodiversity 2011-2020, including Aichi Biodiversity Targets. <http://www.cbd.int/sp/>

⁶ Eleven regional conservation fora were held during 2011.

- b. Indicators of implementation of the One Programme Charter⁷ are included in the new progress monitoring system established by the Secretariat.
- c. IUCN's business model is geared to enter into partnerships with donors on longer-term, multi-country programmes, delivering flagship knowledge products and results on the ground.
- d. As described above, IUCN's business model and financial plan make transparent the costs and measures to engage the Union and support Union governance and development.

D. **Reorganization, planning and reporting:** The Review presents in-depth analyses of organizational challenges facing IUCN and points to the need for much strengthened knowledge management, planning, monitoring, fund-raising and human resources management. We agree with most of these analyses and the related recommendations. However, as also acknowledged by the Review Team, these improvements are costly, and the long-term trend in core funding has been declining. Within the resources available, we are pursuing the following organizing principles:

- a. The draft IUCN Programme 2013-16 includes a set of quantifiable results and impact indicators that will guide the programmes of all units of the Secretariat.
- b. Clear lines of responsibility have been established between the Programme Areas of the IUCN Programme 2013-16 and the Group structure of the Secretariat, including clear responsibility for support to and interaction with the six Commissions.
- c. Clear lines of responsibility are being established between the four business lines of the new IUCN business model and the Group structure of the Secretariat. This will ensure quality and consistency in programme development and fund-raising initiatives.
- d. The global Secretariat, with Headquarters, Regions and outposted offices, will continue to adhere to the requirements of subsidiarity and cost-effectiveness. The formulation and implementation of global programmes must involve thematic staff from both Headquarters and Regions.

We appreciate the Review Team's assessment that IUCN has achieved much in terms of results-based management, but agree fully that there is still a long way to go.

Below, we summarize our response to recommendations 2-14, characterized as "subsidiary" by the Review Team.

2. "Instigate a critical external questioning of purpose and niche - commission an independent external analysis of global biodiversity and conservation trends in order to make transparent and independent proposals about where the Union best fits and has most to contribute within the field."

Management response:

- The Review Team did a good job of questioning the IUCN purpose and niche, which has been addressed in detail during 2011-12 by Council and Secretariat (see A. above).
- The Review Team did not analyze global biodiversity and conservation trends. IUCN is the primary provider of the data which underpins major studies on biodiversity and conservation trends, such as the Global Biodiversity Outlook. IUCN is also the recognized provider of scientific advice to a range of biodiversity-related conventions, such as the Convention on Biological Diversity. Hence, we believe that IUCN has reached a sufficient level of understanding of these topics. Providing essential knowledge products for international decision-making is part of the IUCN Programme 2013-16.

⁷ This Charter calls upon the Secretariat, Commissions, National and Regional Committees to work together to develop and implement the IUCN Programme collaboratively. It invites Members, where their priorities and capacities align with the Programme, to participate in its implementation (http://cmsdata.iucn.org/downloads/iucn_one_programme_charter.pdf).

3. "Interrogate the Value Proposition and develop a Union-wide Theory of Change - manage a Union-wide consultation process to revisit the Value Proposition in order to define a statement which is unique and of practical value to managers and stakeholders."

Management response:

- We agree that the four elements of the value proposition are structural features of how IUCN operates, rather than an actual value proposition. We have focused instead on clarifying the niche and the Programme purpose in the documents for 2013-16, which have gone through extensive consultations (see A. and C. above).
- The Union-wide theory of change is integrated into the draft IUCN Programme 2013-16, which emphasizes the move from delivery of outputs and achievement of results to contribution to impact on the ground, all with quantifiable indicators. In addition, IUCN plans to adapt its global business model to the specific requirements and opportunities in each Region, which will further concretize the theory of change.

4. "Develop an intermediate framework of SMART⁸ indicators - which will help to translate Global Results areas into a strategic plan which can be used directly to guide operations."

Management response:

- We agree with this recommendation (see D. above). The global results and impact indicators will be included and adjusted in the 2013-16 programmes of all organizational units in IUCN.
- We will introduce annual reporting for all results indicators and four-year reporting for all impact indicators.
- We are establishing an annual progress monitoring system, covering the performance of all components of the Union.

5. "Define a sustainable IUCN business model- define a business model based on a systematic analysis of existing and new funding and income earning opportunities, high-level process of prior options reviews to identify any strategic changes in the business mix, and a sustained and systematic focus on achieving efficiency savings."

Management response:

- We agree with this recommendation. A new IUCN business model has been developed (see B. above) and has already been applied to the draft Operational Plan 2013-16.
- The success of the four business lines will be determined through their concrete application, supported by a business development project to be launched in the Director General's office.

6. "Simplify and strengthen management reporting - develop a logical reporting structure that meets Framework Donor reporting requirements and links Strategy (Quadrennial Programme) –Implementation (activities and corresponding budget lines) - Results (Annual Reports)."

Management response:

- We agree with this recommendation. We are developing our reporting accordingly and, as mentioned above, are establishing an annual progress monitoring system to provide the necessary data for Council and Senior Management.

7. "Combining recommendations 5 & 6 on the business model and management reporting - IUCN should consider the benefits of preparing specific budgets for Value Proposition and One Programme-unique activities, and also whether specific fundraising initiatives to cover the costs of some of these activities would be worthwhile."

Management response:

⁸ SMART refers to specific, measurable, attainable, relevant and timely objectives.

- We agree with this recommendation (see B. and C. above). The Financial Plan 2013-16 includes a budget line for "Supporting Union governance and development". The business model includes a business line for "Engaging and leveraging the Union".

8. "Establish a smaller, more authoritative Committee of Council- explore establishing a Committee of Council, which is formally tasked to support and hold the Director General accountable."

Management response:

- We will inform the incoming Council in 2012 of this recommendation and will work with Council on its implementation.
- The current Council 2009-12, having spent considerable time on discussing the role of the Union and its subsidiary bodies, will organize a workshop at the 2012 Congress on the topic of *A Union Working Together to Engage Society for the Future*, which will serve as a useful guide to the incoming Council on its own role as the governing body of IUCN.

9. "Invest in the under-resourced core functions of fundraising, M&E, and knowledge management - continue to develop critical mechanisms for information sharing, coordination and alignment."

Management response:

- We agree with this recommendation (see D. above). While there is a challenge of resourcing these functions, IUCN will ensure that there is an adequate network of monitoring, evaluation and knowledge practitioners at Headquarters and in the Regions and will designate these skills as essential in future recruitments of Programme staff.
- For knowledge management, IUCN has considerable expertise, particularly from building the standards for the IUCN Red List of Threatened Species and the World Database on Protected Areas, lessons from which will be used for other knowledge products proposed in the Programme 2013-16. Strengthening knowledge management will also focus on the extraction of lessons from the project portfolio in order to refine IUCN's understanding of the governance of nature's use and nature based solutions.

10. "Re-position the human resources management function to address some of the strategic human resources issues - provide guidance on structure and job design; provide performance management support, and especially capacity building; provide control of establishments, and optimise staff costs through strategic initiatives such as localisation of posts."

Management response:

- We agree with this recommendation (see D. above), while we maintain that much has been achieved in HR policy development, the establishment of an effective online HR management system, and personnel management, including standardisation of posts and compensation packages.
- The Operational Plan 2013-16 will launch a stronger effort to assess, align and develop the competencies required for Programme implementation and business model application.

11. "Learn from the Network Approach - review the success of the Network Approach in order to learn lessons and, where findings are positive, ensure the critical network functions are adequately resourced and scaled-up."

Management response:

- We have reviewed the experience with the network approach and concluded that working in networks is critical for all professional staff. With Council, the *One Programme Charter* was drafted in 2011, setting the imperative of collaboration among the Secretariat staff, Members and Commission members. The structure of the Secretariat and the procedure for assessing and managing staff performance have been adjusted to emphasize One Programme collaboration.

12. "Strategically address gaps in the Membership - identify gaps in the Membership according to the requirements of the 2013-2016 Programme and findings from the external analysis of purpose and niche, and start to address these gaps through a new Membership Strategy."

Management response:

- We agree with this recommendation (see B. and C. above). Filling gaps in the Membership in order to deliver the substance of the IUCN Programme is a key challenge to both Council and the Members themselves. Both Council and the current Membership must be in agreement on expanding the definition of Membership in order for gaps to be filled.
- During 2012, we will prepare a Union Development Plan, addressing issues of Union governance, expanded Membership, the role of Regional and National Committees, the management of Commissions, Secretariat support, as well as fund-raising for the Union beyond its Programme.

13. "Contract an independent review of the six Commissions - to assess their relevance and fit to the IUCN Programme, their operation and management, and scale / size."

Management response:

- We will inform the incoming Council in 2012 of this recommendation and will work with Council on its implementation. The current Council 2009-12 may wish to make recommendations to the incoming Council.
- In preparing for the 2012 Congress, Council will remind Members and Commissions of Statute 74 which stipulates that "The World Conservation Congress shall establish the Commissions and determine their mandates which shall be within the IUCN Programme" as an important first step in the evolution of the Commissions in support of the Programme 2013-16. Council may also wish to interpret Statute 46e: "The functions of the Council shall be inter alia ... (e) to review the work of the Commissions" as a fully independent review conducted under the IUCN Evaluation Policy.

14. "Review the work of the National and Regional Committees - conduct an independent review (of) best practice of National and Regional Committees in order to better understand their role and contribution to IUCN and how this can be unified into the IUCN Programme."

Management response:

- We emphasize that Statute 66 defines these Committees as informal mechanisms which "Members of IUCN within a State, a Region or a part of a Region may organize ... to facilitate cooperation among Members, coordination of the components of IUCN and participation of Members in the programme and governance of IUCN."
- We will undertake case studies of well functioning National and Regional Committees to serve as inspiration and examples of how these Committees can function.