

## **PROPOSAL TO ALIGN THE PROGRAMME, THE BUDGET AND THE MEDIUM-TERM STRATEGY CYCLES**

1. During the presentation of the Proposed Programme (2014–2017) and Budget (2014–2015) at the 49<sup>th</sup> session of the Scientific Council in January 2013 (Document GC/55/7 now refers), the Secretariat raised the issue of inconsistencies in IARC's planning cycles. The Scientific Council agreed that this required resolution and in this context recommended the Governing Council to approve an extension of one year to the Medium-Term Strategy (2010–2014). The current document outlines the issue and proposes a solution for consideration by the Governing Council.

2. The inconsistencies are related to the non-alignment of cycles for the IARC biennial budget, approved programme of work, the Medium-Term Strategy and the incumbency of the IARC Director, which create both overlaps and periods not covered by current approved plans. Specifically:

- IARC operates on Proposed Programmes that cover four years at a time alongside two-year budgets;
- The documentation of each subsequent Proposed Programme includes two years from the previous one (for example, in 2009 the Proposed Programme for 2010–2013 was approved, in 2011 the time period covered was 2012–2015 and this year the Governing Council is considering the Proposed Programme for 2014–2017);
- IARC has recently been operating on five-year medium-term strategies, timed to start in the second year of a Director's incumbency. In principle, each new Medium-Term Strategy would need to be reviewed by the Scientific Council in January (the same month that the new Director takes office), and then endorsed by the Governing Council in May. In practice, approval needs to be delayed by a year to allow time for the incoming Director to write the strategy in the first year of incumbency with approval made on a post facto basis by both the Scientific Council and the Governing Council during the second year of the Director's mandate;
- The different time periods mean two of every three Proposed Programmes submitted to the Governing Council cover a period not encompassed by a Medium-Term Strategy (see Annex). For example, the current Medium-Term Strategy runs until 2014 while the Proposed Programme goes until 2017 and Budget until 2015.

*Graphical representation of these overlaps is shown in the Annex below*

3. The Secretariat has considered a number of potential means to try to align the three variables in question, namely the biennium budget, the Proposed Programme cycle and the Medium-Term Strategy duration, keeping in mind the Director's incumbency, and proposes the priorities below should be features in any change:

- Proposed Programme cycles should not overlap;
- Proposed Programmes should be based on the Medium-Term Strategy and make appropriate references in the relevant documentation;
- The Medium-Term Strategy should be valid, to the maximum extent possible, for the years covered in the Proposed Programmes;
- The Medium-Term Strategy should be aligned as much as possible to the incumbency period of the Director;
- New Directors should have sufficient time to properly prepare their Medium-Term Strategy for the Agency.

4. With these principles in mind, the Secretariat proposes to proceed along the following lines, all of which are consistent with the Agency's Statute and existing rules and regulations, as well as with Resolution GC/13/R3 which set the presentation standards for IARC planning cycles:

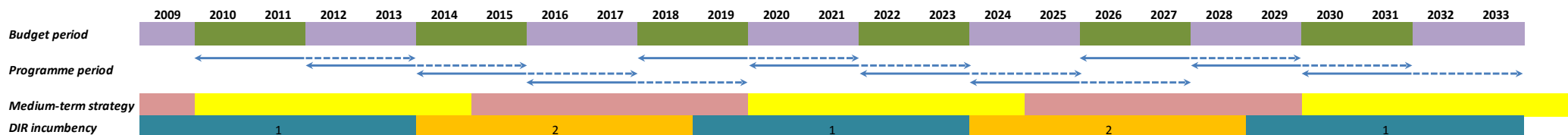
- Starting from 2016, the Proposed Programme will cover only the two years covered by the proposed budget presented in the same document (the document submitted for the regular session of the Governing Council in May 2015 will be entitled: "Proposed Programme and Budget 2016–2017");
- Incoming Director (whether on first or second term) will be given the first year to prepare the five-year Medium-Term Strategy, to be considered by the Governing Council in the May of the second year in office, and it will be formally implemented after completion of two years at the Agency;
- In order for the Proposed Programme to refer to a valid Medium-Term Strategy and to align to the second year of the Director's incumbency, the current Medium-Term Strategy should be extended for an additional year as recommended by the Scientific Council at its 49<sup>th</sup> Session, therefore covering the period 2010–2015; the next Medium-Term Strategy would cover the period 2016–2020, although the Governing Council may consider alternatives of four or six-year periods for the future Medium-Term Strategy.

5. The Governing Council is requested to endorse the proposal to align IARC's programmatic cycles, including the move to a two-year Programme and the one-year extension of the current Medium-Term Strategy to cover the period 2010–2015.

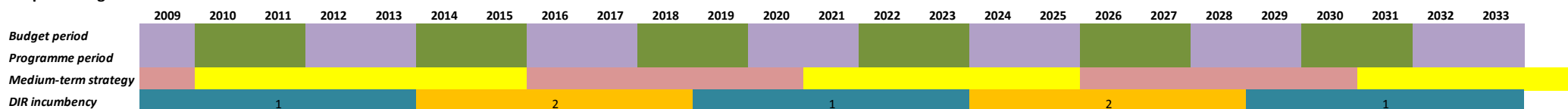
## Annex

### Graphical representation of the overlaps between the Programme, the Budget and the Medium-Term Strategy cycles

#### Current Situation



#### Proposed Alignment



- **Current situation:**

- ✓ Four-year programme cycle and two-year budget cycle;
- ✓ Overlapping programme cycle every two years;
- ✓ Five-year Medium-Term Strategy starting 2<sup>nd</sup> year of the Director incumbency;
- ✓ Medium-Term Strategy ends mid-way in some Programme cycles (between Director terms).

- **Proposed alignment:**

- ✓ Align Programme and budget to two-year cycles;
- ✓ Incoming Director is given the 1<sup>st</sup> year to prepare five-year Medium-Term Strategy, which will become effective from end of 2<sup>nd</sup> year;
- ✓ Allow the Governing Council to approve strategy prior to its implementation;
- ✓ Extend current Medium-Term Strategy by one year to 2015 to cover the Proposed Programme and budget and allow the incoming Director to prepare the new Medium-Term Strategy.