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**Committee on Budget, Finance and Administration**

**EVOLUTION OF RESULTS-BASED MANAGEMENT IN THE WTO**

1. In the report of its meeting of 5 July 2002 (WT/BFA/60), it was noted that the Secretariat would prepare a brief paper on the evolution of Results-Based Management (RBM) in the WTO.
2. The Secretariat, on its own initiative, started moving progressively toward RBM in 1995 with the presentation of the budget proposals for 1996. For the 1996 and 1997 budgets, Divisions were asked to accompany their budget proposals with information on their "objectives" and "planned activities". In 1997, the practice of providing an estimate of the hours per year dedicated to technical assistance activities was initiated. In 1998, the budget showed a breakdown of the "objectives" and the "work programme" of each division. The budget presentation was the same for 1999.
3. The presentation of the budget for 2000 remained the same as for 1999. However in October 2000, a "Divisional Reporting on Objectives and Expenditure"<sup>1</sup> (for 1999) was prepared for the first time. It contained an assessment by Division Directors on achievements against objectives. In addition, the 2001 budget reflected for the first time a breakdown of objectives, background, main activities and expected results.
4. In December 2001 the Budget Committee noted the second "Divisional Reporting on Objectives and Expenditures"<sup>2</sup> (for 2000) as "a further step in the direction of results-based budgeting"<sup>3</sup>. A similar report relating to 2001 will shortly be distributed. The presentation of the 2002 budget proposals was the same as that for 2001 (information on objectives, background, main activities and expected results).
5. On 31 July 2002, Directors were requested to provide information with regard to their budget proposals for 2003. Among the points included in the instructions was the following:

"In the first months of 2002, a consultant undertook a study on Results-Based Management. His report (WT/BFA/W/70) was discussed in the Committee on Budget, Finance and Administration and a group of three delegations subsequently presented a non-paper on the subject (WT/BFA/W/76). It was recommended that the WTO should continue the process which started in 1995, and that both quantitative and outcome-based performance indicators should, to the extent possible, be included in the section on expected results."
6. The budget proposals for 2003 are in the final consultation phase with Senior Management, and the relevant documents will be distributed for the up-coming meetings of the Committee on Budget, Finance and Administration.

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<sup>1</sup> WT/BFA/W/43 of 5 October 2000.

<sup>2</sup> WT/BFA/W/58 of 11 July 2001.

<sup>3</sup> WT/BFA/56 of 18 December 2001, page 1.