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CEB

Chief Executives Board **for Coordination**	CEB/2007/6 13 October 2007

HIGH-LEVEL COMMITTEE ON MANAGEMENT (HLCM)

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Conclusions of the Fourteenth Session of the
High-Level Committee on Management

(Palisades, New York, 20-21 September 2007)

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TABLE OF CONTENTS

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INTRODUCTION

1.   The High Level Committee on Management held its fourteenth regular session in Palisades, New York, on 20-21 September 2007. The meeting was chaired in alternate sessions by the Committee's Chairperson, UNFPA Executive Director, Thoraya Obaid, and by the Vice Chairman, WHO Assistant Director-General, Representative of the Director-General, Denis Aitken. For the fourth time HLCM was meeting at the same time and venue as the High Level Committee on Programmes (HLCP), and a joint session with HLCP was held on the afternoon of 21 September.

I.   ADOPTION OF THE AGENDA

Documents:
- ✓   CEB/2007/HLCM/14/Rev.2 – *Agenda*
- ✓   CEB/2007/HLCM/15/Rev.1 – *Programme of Work*

2.   The agenda as adopted by the Committee is reflected in the table of contents.

3.   The complete list of participants is provided in Annex 1.

4.   All documents related to the session are available on the CEB website at: https://hlcm.unsystemceb.org/documents/200709/.

5.   Before moving to the regular agenda items, the Chair recalled that for the first time at this session the Committee was experimenting an "open hour" informal session, with the intention to provide members with a non-formal forum for raising issues that they are currently pre-occupied with or concerned about and which they may not be able to raise during the formal part of the agenda. The Chair reminded the group that no decisions could be taken during this informal session.

6.   The first "open hour" session, scheduled for the end of the first day, included the following topics, put forward by the Legal Network (see CEB/2007/HLCM/19 for details):

   a) Establishment of a systematic consultation procedure on documents having legal implications;
   b) Application of decisions/policy documents/inter-agency agreements, as adopted by the HLCM/CEB, by UN organizations and entities.

II.   DIALOGUE WITH REPRESENTATIVES OF FICSA AND CCISUA

7.   In accordance with established practice, the Committee conducted an exchange of views with the representatives of the Federation of International Civil Servants' Associations (FICSA) and the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA). FICSA was represented by Mr. Robert Weisell; CCISUA was represented by Ms. Rita Wallace and Mr. Ronald Hall. The statements of the representatives of FICSA and CCISUA are provided in Annexes 2 and 3, respectively.

8.   The discussion that followed focused mainly on the areas of change taking place throughout the United Nations due to reforms and changing field conditions. The issues of security and safety of staff, contracts, job security, mobility, staff development and salary survey methodology were highlighted by the representatives of CCISUA and FICSA. The need for

coherence and consistency in the treatment of staff within the eight "Delivering as One" pilot countries was raised as a matter of particular concern. The CCISUA representative voiced their support to the Secretary-General's proposal to have a standard series of contracts for all UN staff. The staff representatives supported the efforts to formalize a fair dual career policy as spousal employment is considered key to a successful mobility policy.

9.   The Committee was also informed that FICSA and CCISUA started a dialogue to work more closely together and both believed that it would be to the advantage of all not to have separate bodies. In response to FICSA's comment on the Staff-Management Coordination Committee's (SMCC) membership, the UN Secretariat clarified that the Committee is the joint staff-management machinery at the UN Secretariat level and thus neither CCISUA nor FICSA are members, and further added that a working group was being established to review its terms of reference

10.   The issue of the release with full financial support of the FICSA President and General Secretary was also discussed at length as FICSA was unable to fill the position of General Secretary. This was due to the fact that one of the two candidates withdrew her name during the 60th FICSA Council in February 2007 as her organization was doubtful about its ability to fund her post if elected. Furthermore the sole, remaining nominee, who was elected by secret ballot, never assumed the FICSA position and subsequently resigned due to the inability of her organization to fund her post.

11.   In response, the HR Network Co-Spokesperson, Ms. Dyane Dufresne-Klaus, informed HLCM members that considerable efforts had been made to obtain a solution on the release of FICSA elected officers. The Co-Spokesperson quoted from the 1996 CCAQ report on the subject, as follows: "*CCAQ reaffirmed its position that cost-sharing arrangements could be considered, on a strictly ad-hoc basis, after consulting with CCAQ(FB) and taking into consideration the amount involved and the ability of the organization concerned, based on their size or other factors, to absorb them.*"[1] The HLCM considered a temporary solution had been found, however, as IMO agreed to release and fund the candidate from IMO for the position of FICSA General Secretary for one term if elected. Since this constituted a temporary solution, it was agreed that all efforts must be made to find a longer term solution. The FICSA representative stressed that without the same arrangements being made for candidates from any other organization, the solution was not satisfactory in that a truly democratic process was not occurring.

12.   In relation to the eight "Delivering as One" pilot countries, the staff associations expressed concern about how staff representation would function in a unified office. In their view, it is clear that staff representation would need to evolve, adjust and change in accordance with the new structures. The Pilots would also have significant implications for staff, and the HR Network was encouraged to carefully consider such implications from all perspectives.

☞   **Conclusions and Action Points**

13.   The Committee welcomed the move of FICSA and CCISUA to coordinate their efforts and considered any move towards a closer union as beneficial to the staff and the UN system.

14.   The Committee also expressed its appreciation to IMO for agreeing to release and fund candidate from IMO for the post of FICSA General Secretary for a two-year term.

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[1] CCAQ(PER)/84/CRP.1/Rev.1, 18 April 1996.

15.   On the release and funding of staff representatives, the HR Network would work closely with FICSA with the aim of finding a long-term solution to the issue, and present a proposal to HLCM at its next session.

III.   COOPERATION WITH THE INTERNATIONAL CIVIL SERVICE COMMISSION (ICSC)

16.   The Chairman and Vice-Chairman of the International Civil Service Commission (ICSC) were invited to brief the Committee on the outcome of the recent discussion conducted by the Commission on its functioning and mechanisms, with a view to strengthening its relationship and improving cooperation with CEB and the organizations of the UN system.

17.   The ICSC Chairman briefed HLCM on the Commission's strategy and vision. He highlighted the Commission's commitment to change, and to seek new ways to form strategic partnerships with the organizations of the common system. He stressed that leading change, building trust and maintaining the unity of the common system, as well as ensuring that sound and flexible HR systems are in place, were his top priorities. The full statement of the ICSC Chairman is provided in Annex 4.

18.   Some of the initiatives which the Commission had already launched were highlighted by the Chairman. In July, Commission members met with Executive Heads of Geneva-based organizations prior to its summer session. The Commission held a retreat to re-examine its role and seek ways to become more proactive. It was also agreed to hold shorter sessions of two weeks and to hold more informal meetings, working groups and tasks forces in between sessions.

19.   The Chairman recognized that, given the different mandates and functions of member organizations, a more flexible approach would be required to make sure that ICSC decisions serve the interest of all organizations. The Commission expressed the wish to work closely and in tangible ways with CEB, the organizations and the staff to improve the exchange of information and views.

☞   **Conclusions and Action Points**

20.   The Committee welcomed ICSC's initiative for strengthening its partnerships with CEB, the organizations and staff representatives, as this would enable the Commission to focus on issues of higher value to organizations.

21.   The Committee welcomed the decision to hold shorter ICSC sessions and emphasized the need for flexibility, given the different mandates and functions of member Organizations. Appreciating the new outreach strategy outlined by the Commission, the Committee encouraged the ICSC to continue dialogue with its key stakeholders.

IV.   BUSINESS PRACTICES

Document:
  ✓   CEB/2007/HLCM/16 and Add.1 – *HLCM Plan of Action for the Harmonization and
                                      Reform Business Practices in the UN System*

22.   The HLCM at its 13th session agreed to develop, with the support of its Networks, a plan of action for the Harmonization and Reform of Business Practices, based on indicative priorities and areas of interest identified during the review of a preliminary proposal by the CEB Secretariat.

23.   Following endorsement of this initiative by CEB at its April 2007 session, a Steering Group led by the HLCM vice-chair (Denis Aitken, WHO) and composed by the current chairs of the HLCM Networks - Jay Karia (UN), Gary Eidet (IAEA), Martha Helena Lopez (UN), Dyane Dufresne-Klaus (UNESCO), Susana Malcorra (WFP) - with support provided by the CEB Secretariat, started the development of such plan of action, including detailed terms of reference outlining the scope, objectives, timeline and resources for each of the projects identified.

24.   Two criteria were identified by the Steering Group as the inspiring principles for the development of project proposals and the assessment of priorities to be included in the plan: (1) achieving efficiencies and (2) promoting the concept of delivering as one at the country level.

25.   The proposed plan was framed within the context of the current review of the role and functioning of CEB and took into consideration the management coherence requirements arising from the launching of the "Delivering as One" Pilots.

26.   Following approval by the HLCM, funding and endorsement for the plan would be primarily sought through extra-budgetary mechanisms and not through the normal cost-sharing arrangements in place for jointly financed activities.

27.   There was consensus on the fact that the quality of the design and, subsequently, the successful implementation of any project aimed at the harmonization and reform of business practices across the UN system would heavily depend on the commitment by organizations to contribute the time and skills of their internal resources to such effort. It was indeed understood that the availability of the necessary financial means and of human resources acquired on the external market would complement and support organizations' own commitment to *make these projects happen.*

28.   The project proposals presented to the Committee cut across all management areas: some belonged more specifically to the Human Resources domain, while others leaned more toward the interests of Financial Management or Information and Communication Technology practices. Many implied, to some degree, a deliberate effort to enhance knowledge sharing, internally - across functional borders – and externally - across organizations.

29.   Some projects were already ripe for the formulation of action plans, assignment of dedicated resources, and implementation, while some others still required further investigation, and were therefore designed as feasibility studies. Some were new, others expanded on already existing initiatives and programmes that were being brought to scale through central coordination and support.

30.   The Committee examined the proposed plan of action both as a complete and homogeneous package, which would serve as a reference framework for the HLCM programme of work for the next biennium, as well as in its individual components (the different project proposals).

31.   The staff representatives, which had been invited by the Committee to participate in the discussion, appreciated the initiative and offered some comments, particularly in connection with the staff requirements emerging from the implementation of the "Delivering as One" Pilots; the critical need to increase staff training and development at all levels; and the tools and mechanisms required for promoting mobility, in a manner that is beneficial to both organizations and their staff.

32.   It was emphasized that any initiative aimed at service off-shoring and/or outsourcing should be considered taking into the necessary account the sensitivity of the subject.

33.   Concerning the mechanisms to be adopted for the channeling of contributions towards the proposal, UNDP mentioned that all options should be explored, including existing modalities such as Multi-Donor Trust Funds, with a view to identifying the most appropriate one.

34.   There was consensus on the fact that the entire proposal had to be considered from an actionable and operational point of view. For this reason, a number of follow-up actions and implementation modalities were discussed and agreed upon by the Committee, as summarized below in the conclusions.

☞   **Conclusions and Action Points**

35.   The Committee approved the overall thrust of the document and, one by one, the nineteen initiatives outlined in Section VI, page 12 of CEB/2007/HLCM/16, with the exception of the HR project number 2 for a "Framework for the Harmonization and Coordination of Staff Mobility and Well-being Initiatives" which, given its ongoing and internal nature, would be best funded through core contributions from UN system organizations' regular budgets; the ICT project number 6 on Common Services – Global Networks, which the Committee agreed to fund entirely from voluntary contributions already committed by organizations (see below, Section VII-C); and the ICT project number 8 "UN System Directory", which would be pursued within the context of UNDG.

36.   Input in the plan of action from the newly established HLCM Procurement and Legal Networks would be provided during the course of the fall 2007. Once ready, these proposals would be submitted to the Committee's Steering Group for appropriate evaluation.

37.   Two additional projects that had received the endorsement of both the Finance and Budget Network and the HLCM Steering Group, but whose timing and modalities were not considered and set in time for the HLCM review, would be shortly submitted to the Committee's Steering Group for evaluation. They are:

a)   A feasibility study for putting in place "Common Treasury Services";

b)   The completion of a Comparative Analysis of Organizations' Financial Regulations and Rules, leading to an action plan for system-wide harmonization.

38.   An effort of prioritization within approved initiatives (priorities within priorities) would be carried out by the relevant HLCM Networks. This would include the definition of operational modalities and the sequencing of initiatives, given the ample diversity within their proposed timeframe for implementation and completion. Meeting the requirements of the "Delivering as One" pilots should be a driving principle for the prioritization.

39.   The views of the staff should be taken in due consideration during the process of establishing priorities.

40.   For each project there would be a lead agency, to be determined upon consultation within the relevant HLCM Network. The lead agency, which would carry ultimate responsibility for delivery, would set a detailed implementation plan, as well corresponding governance mechanisms. Project plans should include an assessment of expected cost savings and return on investments.

41.   HLCM organizations can voluntary commit their participation in any of the proposed initiatives (cluster approach).

42.   Estimated costs and duration for each project would have to be validated before submission of the plan of action to donors. Expected timeframe would have to be determined depending on the receipt and allocation of required funding.

43.   The Business Practices proposal, whose content would represent the basis for the programme of work of HLCM and its Secretariat for the next biennium, would be submitted for endorsement and approval at the fall session of CEB.

44.   The final Business Practices proposal should be packaged for fund-raising in such a way it clearly conveys its inter-disciplinary nature, highlighting the high-value impact and cost-saving initiatives. It should clearly indicate that no conditions may be attached by donors to funding commitments.

45.   The HLCM Steering Group, led by the HLCM Chair and Vice-Chair and composed by the Chairs of the HLCM Networks and by the Director of the CEB Secretariat, would develop a coordinated communication and fund raising strategy.

46.   Concerning the proposal to establish a separate Trust Fund under the CEB Secretariat for the channeling of contributions towards this initiative, advice from the Chairs of the Finance and Budget Network would be sought to identify the best option, including the possibility of using existing modalities.

47.   Concerning the proposal to establish a separate Trust Fund under the CEB Secretariat for the channeling of contributions towards the proposal, advice from the Chairs of the Finance and Budget Network would be sought for the best option, including the possibility of using existing modalities.

48.   The governance mechanisms as outlined in Section IV of CEB/2007/HLCM/16, providing for the additional roles and responsibilities of the lead agency as described above, were endorsed by the Committee, as follows:

   a) High-level endorsement of detailed project budgets (as submitted by the lead agency) by the HLCM Chair and the HLCM Steering Group (HLCM Vice-Chair, Network Spokespersons, Director of the CEB Secretariat);

b) Formal financial authorization of expenses for each individual project by the lead agency responsible for the project;

c) Annual reporting by the lead agency to the Plenary on the status of expenses against proposed budgets, results achieved against stated objectives, with clear indication of accountabilities.

49.   Separate ad-hoc funding for the professional evaluation of activities performed within the proposed plan of action would be provided for in the overall funding requirements, together with a provision for administrative support and coordination.

V.   SECURITY AND SAFETY OF STAFF

Documents:
- ✓   CEB/2007/HLCM/17 – R*eport of the Inter-Agency Security Management Network (IASMN)*
- ✓   CEB/2007/HLCM/23 – *Terms of Reference for a Working Group on identification and implementation of equitable and sustainable funding arrangements for the UN Security Management System*
- ✓   CEB/2007/HLCM/XIV/INF.3 – *UNDSS Provisional Performance Report – 1 January 2006–30 June 2007*

50.   As is custom, the Committee received a briefing by the United Nations Under-Secretary General for Safety and Security on "Strategic development of the UN Security Management System".

51.   UNDSS briefing focused on the growingly direct and explicit threat by terrorist groups towards the United Nations.

52.   The Committee was brought up-to-date with the recent propaganda campaign by Al-Qaeda, which increasingly attempts to reach a global audience through a variety of multi lingual, audio, video and textual productions, featuring its senior leaders, which are further disseminated through multiple extremist websites. It was noted that such propaganda campaigns have proven very effective.

53.   In its most recent media production, Al-Qaeda expanded its anti-UN propaganda beyond its usual focus on the UN's political and peacekeeping role, to include the UN's humanitarian programmes and activities.

54.   Based upon the fact that security is both an individual and a collective responsibility, the USG urged consideration of three opportunities for strategic development actions the UN system could take to mitigate these daunting threats.

55.   The first is **visible leadership,** which needs to be based upon a clear understanding of the reality of present dangers. In this respect, UNDP plays a particularly valuable role, especially in its vital support to Designated Officials.

56.   For what concerns **accountability**, HLCM member organizations collectively own a security accountability framework. Though endorsed by the Committee, this document requires wider dissemination to enhance awareness of the principles of accountability it contains, which should in turn more frequently be included in regular business and management decision making.

57.   The third suggested opportunity was the early inclusion of security issues in plans, projects and programmes, i.e. **mainstreaming** of security. If security aspects are considered at the earliest stages of planning then the result is more effective, efficient and economical. As an example of good practice of both accountability and early inclusion of security in the planning process, the USG referred to UNICEF document "*Core Commitments for Children in Emergencies*" which states both guiding principles and actions to be taken within the earliest stages of any crisis response.

58.   As regards the development of the Department of Safety and Security, progress continued to be made in respect of growth, integration and operational effectiveness. The test of success of DSS would be the extent to which everyone else in the UN system is enabled to get their work done. Concerns were re-iterated in respect of security gaps for national staff, under-emphasis on safety (especially vehicle safety) and inadequate crisis response mechanisms.

59.   In conclusion, the USG recommended that the Committee endorsed the contents of the report of the Inter Agency Security Management Network (IASMN).

60.   Organizations expressed deep appreciation for the work of UNDSS and, among the main points raised in the discussion that followed, noted IASMN's remark that, at many meetings of SMTs, agencies are represented by very junior staff who are not in a position to make decisions, and emphasized that Agencies must ensure adequate and appropriate levels of representation at the SMTs as it is unfair to place this burden on the Designated Official alone.

61.   Some organizations also expressed the need to clarify the scope of IASMN, as references to the 'Field' Security Management System still exist in various documents. USG Veness clarified that there is only one Security Management System which pertains to all UN duty stations, whether 'HQ' or 'Field' and that the structure of DSS itself reflects this integration. The designation 'Field' survives only in-so-far as that is the portion cost-shared by the Agencies. With respect to the so called 'Headquarters locations', it was noted that host-country agreements and the fact that elected Executive Heads of the Specialized Agencies are accountable only to their governing bodies, add a level of complexity and must be taken into consideration.

62.   The Committee noted these comments and stressed the critical importance of addressing any issues with respect to the SMS within the System itself, ensuring the preservation of a cohesive, coordinated approach to delivering security and safety to UN system staff.

63.   IASMN's decision to determine their meeting times based on the HLCM meeting schedule, taking into consideration the meeting schedules of organizations concerned, was noted with appreciation.

64.   The Committee then considered a proposal (CEB/2007/HLCM/23) to re-establish a technical working group to follow-up on its previous decision to "… *move forward with a more comprehensive, all encompassing project to address significant issues remaining outside the mandate of the current review of the cost-sharing formula (including alternate sources of funding and mainstreaming) for the 2010-2011 biennium*".

65.   On this matter, there was general consensus on the fact that funding of the Security Management System (SMS) was a political rather than a technical issue and that any discussion on the matter should, therefore, take place at that level to ensure that solutions proposed meet the scale of the problem.

66.   The Committee encouraged member organizations to maintain pressure on their Governing Bodies to make sure that security and safety of staff receives the necessary attention and resources, with a view to increasingly mainstream such issues in all activities and mandates carried out in the UN system.

67.   With specific regard to the significant unspent balances in the SMS cost-shared budget for the biennium 2006-2007, organizations recommended that such balances be credited to their shares for the following biennium.

☞   **Conclusions and Action Points**

68.   The Committee endorsed the IASMN report subject to the comments of the meeting.

69.   The Committee appreciated the effort by UNDSS to increase accountability on its activities by providing detailed and timely information on status of expenditure, programme performance of its operations and vacancy status of its posts, and encouraged UNDSS to continue to do so, to enhance the overall transparency and stakeholders' participation in the management of the UN Security Management System.

70.   With a view to facilitating the resolution of issues that have or may emerge with respect to the management and funding of SMS, the Committee appointed a small Advisory Group of three member organizations, which would provide its support to UNDSS upon request by the HLCM. The group membership was determined as follows:

   a) WFP, in representation of UN Funds and Programmes;
   b) UNIDO, in representation of small organizations;
   c) WHO, in representation of Specialized Agencies.

71.   Andrew Lukach, Senior Security Manager of UNDP, would serve as Secretary of the Advisory Group.

VI.   INSTITUTIONAL LINKS BETWEEN HLCM AND UN/RIAS – DISCLOSURE OF INTERNAL AUDIT REPORTS

Documents:
   ✓   CEB/2007/HLCM/18 – *RIAS position paper on Disclosure of IARs*
   ✓   CEB/2007/HLCM/18/Add.1 – *Disclosure of IARs – Letter from IAEA Oversight to HLCM Chair*
   ✓   CEB/2007/HLCM/XIV/INF.2 – *Comments received from organizations on the RIAS position paper*

72.   The HLCM Chair recalled that in a letter of 28 June 2007 the representatives of Internal Audit Services of the United Nations System and Multilateral Financial Institutions (RIAS) had requested to explore ways in which the institutional links between HLCM and the UN Internal Audit community could be improved. She therefore invited Mr. Claus Andreasen, Director, Internal Audit, UNICEF, to explain the motivation and objectives of this request.

73.   The RIAS brings together the Heads of Internal Audit Services across the UN system (UN-RIAS) and their counterparts from the International Financial Institutions and other related institutions. It meets annually.

74.   Internal audit/oversight issues are increasingly the subject of attention and discussion between Chief Executives in the UN family. UN-RIAS firmly believed that direct consultation and communication with HLCM on matters related to internal audit would help to inform the debate.

75.   Mr. Andreasen then presented to the Committee the position paper prepared by UN-RIAS, in consultation with the Finance and Budget Network, the Panel of External Auditors and the Institute of Internal Auditors, on "*issues relating to the potential impact of communicating final Internal Audit Reports (IARs) to Member States on effectiveness and transparency*", as per request of the HLCM at its 13th session and subsequent conclusions of CEB at its first regular session of April 2007.

76.   As outlined in document CEB/2007/HLCM/18, the existing variety of policies guiding the disclosure of IARs in the UN made it difficult to identify a "fit for all" disclosure policy. For some organizations, there was no choice anymore as Member States have decided or are finalizing decisions to share or not IARs. For the others, three options could be considered:

a)   Option 1: No disclosure of IARs
     - In this option, at no point is the content of IARs disclosed to Member States, neither directly nor indirectly.

b)   Option 2: Disclosure of IARs through IOS activity reports
     - In this option, salient points of IOS reports and/or systemic issues are included in the annual activity report of the Head of Internal Oversight to governing bodies, transmitted unchanged through the Executive Head. The Executive Head provides his/her comments separately.

c)   Option 3: Disclosure of IARs based on an organization policy
     - In this option, IARs will be disclosed to Members States, subject to conditions / criteria defined in a policy that should not be applied retrospectively. This option could include giving Member States the possibility to read IARs in the IOS office, and ask questions to the Chief Audit Executive (CAE) as needed.
     - Audit/Oversight committees could provide a useful conduit through which to draw the attention of the governing bodies to any internal audit reports of particular concern.
     - Notwithstanding the options above, the standards and code of ethics contained in the Professional Practices Framework of the Institute of Internal Auditors (IIA) would allow in exceptional circumstances, the chief audit executive to bring a report to the attention of Member States.

77.   Based on the above, UN-RIAS expressed the professional view that option three may offer the most appropriate solution to the issue of disclosure of IARs.

☞   **Conclusions and Action Points**

78.   The Committee welcomed UN-RIAS' request towards an improvement of the institutional links between HLCM and the UN Internal Audit community, and agreed that UN-RIAS would develop a proposal on the modalities and mechanisms for participation in the HLCM framework, to be submitted to the Committee for approval at its next session.

79.   The Committee endorsed UN-RIAS' recommendation on disclosure of Internal Audit Reports (IARs), as outlined in paragraphs 23-24 of CEB/2007/HLCM/18, which favours option three (paragraph 76 (c) above) but states that each UN entity has the prerogative to choose which option to adopt, as follows:

> ➢ Whilst each UN entity has the prerogative to choose which option to follow, the heads of UN internal audit functions would like to express the professional view that option three may offer the most appropriate solution to the issue of disclosure of IARs. The Executive Heads may wish to approach their governing bodies on this.

> ➢ The heads of UN internal audit functions further recommend that the disclosure policy be consistent with the IIA professional guidance as referred to in paragraph 4 and 5 of document CEB/2007/HLCM/18.

VII. HLCM NETWORKS

A.   Procurement Issues

Documents:
✓   CEB/2007/HLCM-PN/1 – *Summary of Conclusions of the First Session of the HLCM Procurement Network*
✓   CEB/2007/HLCM/29 – *Review on Vendor Suspension*

80.   The Committee received a briefing by the representative of the newly established Procurement Network (HLCM-PN), Mr. James Provenzano, on the recent activities of the Network, which held its first regular session in Johannesburg, South Africa, from 11 to 15 June 2007.

81.   At that meeting, Mr. Dominik Heinrich from World Food Programme was elected as the Vice Chair. Mr. Paul Acriviadis from World Health Organization succeeded Mr. David Smith as Chair of the Network for 2007/2008.

82.   Key focus areas discussed during that meeting included UN reform; vendors management; procurement professionalization and access to suppliers from developing and transition country.

83.   A new meeting was scheduled for the last week of September 2007 in Copenhagen to continue discussion on these issues.

84.   Following the HLCM-PN meeting in Johannesburg, a working group was established to develop a proposal which set forth principles for sanction against suspect vendors. This proposal, outlined in CEB/2007/HLCM/29, was presented to the Committee, to seek endorsement of the proposed principles and recommendation.

85.   HLCM-PN also asked the Committee to instruct Audit, Oversight and Legal Offices of respective UN system organizations to cooperate with HLCM-PN members in responding to the questionnaire attached to document CEB/2007/HLCM/29.

86.   As stated in the recommendation, a firm proposal, which would include guidelines to seek a common UN system sanction mechanism against suspect vendors, would be presented to the 2008 spring session of HLCM for review and approval. The guidelines would define criteria

for the suspension or removal of vendors from the UN vendor databases, describe the role and responsibilities of HLCM-PN and stipulate procedures for decision by the HCLM. One issue that would require further discussion and review among the HLCM-PN members is the treatment of vendors suspended from the Vendor Database.

87.   In the discussion that followed, the Committee noted that the review of standard procurement criteria was a major opportunity to pursue inclusion of "labour clauses" in procurement contracts across the UN system. One approach suggested was the inclusion of such clauses as part of the RFPs and the requirement of self-certification by vendors. ILO offered its active collaboration in any further work on this matter.

88.   The issue of barring vendors on other grounds (e.g. fraud) raised questions about legal exposure in the case of false accusations, inaccurate information, confidentiality breaches, and possible non-recognition of privileges and immunities or the UN system organizations. It also raised capacity issues for smaller agencies.

89.   The Committee further suggested including in the proposal a capacity building strategy for national partners, as dictated by the Paris declaration; noted that suspension should be extended to subsidiaries when a vendor company is suspended; and recommended to establish a procedure for quick communication and action by all UN system organizations, upon suspension of a vendor by one organization.

☞   **Conclusions and Action Points**

90.   The Committee endorsed the principles and the recommendation included in the proposal on vendor suspension submitted by the Procurement Network, and encouraged the Network to take account of comments and suggestions offered by the Committee for the continuation of work on this matter.

91.   The Committee also asked the Procurement Network to finalize its programme of work, taking into adequate consideration system-wide issues for inclusion in the Business Practices proposal.

B.   Legal Issues

Document:
✓   CEB/2007/HLCM/19 – *Presentation of the Legal Network*

92.   The Committee received a briefing on the progress to date in the establishment of the HLCM Network of Legal Advisors, including a presentation of the Network's draft programme of work.

93.   The United Nations Under-Secretary General for Legal Affairs, Chair of the Legal Network, Mr. Nicolas Michel, explained that the overall objective of the Network would be to improve the system-wide coherence in the provision of legal services, thus responding to the need to increase overall coherence of the UN system, in full respect of the autonomy of member organizations. This would allow them to attain better protection of the interests of the entities concerned, while enabling them to carry out their respective mandates more effectively - for the benefit of Member States. This is particularly so at a time where integrated mandates and policies are adopted by intergovernmental bodies

94.   At the moment, the Legal Network is composed of two sub-networks: the sub-network of Legal Advisers of specialized and related agencies including approximately 23 members, and the sub-network of Legal Liaison Officers which brings together the chiefs or senior legal officers of offices away from headquarters, funds and programmes, regional commissions, ad hoc tribunals and treaty bodies institutionally linked to the UN, and includes approximately 26 members. A third sub-network, including the Chiefs or senior Legal Officers serving field missions led either by the department of peace keeping operations (DPKO)/the department of field support (DFS) or the department of political affairs (DPA), including approximately 30 members, is currently being established.

95.   Efforts would also be made to set up a secured web site accessible to all Legal Advisers/Officers of the UN system, including an electronic forum allowing interaction, and where documents of common interest as well as guidelines, policies and sample agreements would be made available.

96.   Among the comments provided by the Committee in the discussion that followed, it was suggested that professional advice be made available to organizations from the Legal Network on the issue of compliance by the host governments with the UN convention on privileges and immunities.

97.   The Under-Secretary General then introduced the two subjects that the Legal Network had suggested for discussion in the "open hour" session, i.e. "Establishment of a systematic consultation procedure on documents having legal implications" and "Application of decisions/policy documents/inter-agency agreements, as adopted by the HLCM/CEB, by UN organizations and entities".

☞   **Conclusions and Action Points**

98.   The Committee endorsed the Legal Network's proposed programme of work, and agreed that the two subjects put forward for the "open hour" session, i.e., "Establishment of a systematic consultation procedure on documents having legal implications" and "Application of decision/policy documents/inter-agency agreements, as adopted by the HLCM/CEB, by UN organizations and entities" would each be retained for a formal discussion to take place respectively during the spring 2008 session and the fall 2008 session of the HLCM, subject to the completion of the necessary consultations with members of the Network

99.   The Committee encouraged the Legal Network to coordinate with the CEB Secretariat to establish appropriate communication and information-sharing mechanisms with HLCM and its Networks, including the use of the HLCM websites. The Committee further asked the Network to consider issues of system-wide nature for inclusion in the Business Practices proposal.

C.   ICT Issues

Document:
✓   CEB/2007/HLCM/28 – *Progress report on the study of common data centers and common global telecommunications*

100.   The Chair of the ICT Network, Ms. Susana Malcorra, briefed the Committee on the recent activities and initiatives of the Network, particularly on the follow-up to the ICT projects

previously requested by the Committee and subsequently included in the HLCM Business Practices proposal.

101.   The Chair recalled that, at its video conference in November 2006, the HLCM had agreed that the ICT Network proceeded with two studies to determine the value of common services in the area of data communications and data centre operations, at an estimated cost of $250,000 each. The study on common data communications had completed the procurement process, with an inter-agency selection panel recommending a vendor to perform the study. The price of the study from the selected vendor was $525,000, far exceeding the original estimate of $250,000. The study on shared data centre operations had gone out for bid in August 2007 and, as of the response deadline, no vendors had responded. Some had indicated an interest, however, and the ICT network would consider its approach to this study in the coming weeks.

102.   The ICT Network sought the guidance of the HLCM on whether to (a) increase its commitment to complete the data communications study, (b) proceed with only one of the two planned studies at this time and seek other funding for the other or (c) fully fund these studies through the Business Practices proposal process.

☞   **Conclusions and Action Points**

103.   The Committee agreed to allocate the full budget originally estimated for the two studies on data communications and data centre operations to the study on common data communications, while pursuing the study on data centre operations through the Business Practices proposal process. The Chair of the ICT Network reminded the Committee that the data communications study requires funding before it can proceed and urged all agencies to quickly come forward with their contributions.

D.   Finance and Budget Issues

Documents:
✓   CEB/2007/HLCM/25 – *IPSAS Adoption Progress Report*
✓   CEB/2007/HLCM/FB/10 – *Conclusions of the meeting of the FB Network, June 2007*

104.   The Committee considered a progress report by the Co-Chair of the Finance and Budget Network and Chair of the Task Force on Accounting Standards, Mr. Jay Karia, on the International Public Sector Accounting Standards (IPSAS) implementation project, with particular reference to issues of immediate relevance to the management of UN organizations participating in the project, such as IPSAS Training and Communication to internal and external stakeholders.

105.   On training, it was planned to develop IPSAS training packages that can be used system-wide, by all organizations. The first phase of the development process was completed in May, when the results of a training survey completed by organizations were analyzed for input into specification of those training packages. Phase 2, which involved procurement of IPSAS training packages, was now underway, while for Phase 3 each organization would plan and deliver IPSAS training, using the system-wide packages.

106.   The report also provided an overview of United Nations System organizations' progress in implementing IPSAS, as well as a recommendation to 'roll-forward' project funds from 2006-07 into 2008-09.

107.   Five critical implementation steps, that all organizations would need to complete by the end of 2007 if they are to realistically expect to meet the 2010 target date for IPSAS adoption, were identified. The majority of organizations had not completed these five critical steps as of the end of July 2007. Of particular concern was the lack of approved budgets, lack of project staff working full-time on the transition and the lack of a comprehensive project plan. These concerns should not over-shadow the great deal of progress that had been made compared to the same time last year.

108.   Steady progress continued to be made on the adoption of IPSAS in the United Nations system. Harmonization of accounting policies and possible harmonization of financial regulations and rules would also be a positive outcome of IPSAS adoption. The IPSAS Steering Committee, the Task Force on Accounting Standards and the Finance and Budget Network would continue to take actions on various items, monitor progress, and identify emerging issues and, where required, formulate further system-wide actions. Six monthly progress reports would continue to be provided to the HLCM.

☞   **Conclusions and Action Points**

109.   The Committee approved the recommended roll-forward of any remaining 2006-07 unencumbered funds for the IPSAS project into 2008-09, as outlined in detail in paragraphs 16-19 of CEB/2007/HLCM/25.

110.   The Committee took note with appreciation of the progress report and invited the Task Force on Accounting Standards and the IPSAS Project Team to report again to HLCM at its next session.

E.   Human Resources Issues

Document:
✓   CEB/2007/HR/14 – *Conclusions of the meeting of the HR Network, July 2007*

111.   The HR Network Co-Spokesperson, Ms. Dyane Dufresne-Klaus, briefed the Committee on the Network's 14th session which was held in Geneva, 4-6 July 2007.

112.   In addition to the two proposals which were being discussed separately - UN Cares and Dual Career and Staff Mobility (see Sections VIII and IX below) - the HR Network reviewed other key issues. These were:

 (a)   **Long-Term Care**: a Working Group is reviewing this complicated issue, more specifically: eligibility, control benefit level, common implementation scheme, financial implications and other related aspects. This is an important issue to staff. Agencies implement different schemes and eligibility criteria. As it is a costly issue, there is significant reticence from a number of Organizations to any proposal that could result in an increase of after-service liability.

(b) **Stress Counsellors:** This issue was brought to the attention of the Network by the Under Secretary-General of DSS. DSS called for the assistance of the Network in addressing the tension that exists among stress counsellors on issues of doctrine and the need to review stress counselling methods. The Network will review the counselling strategy, including the need for a common approach *vis-à-vis* "brain trauma", a war-related trauma frequent in Iraq and which costs US$1 million per year per affected individual.

(c) **Medical Doctors Network:** The HR Network was briefed by the UN Medical Director on behalf of the Medical Doctors Network. The MD Network is of the view that there is a need to review the medical management structure. Some Organizations are shifting their medical strategy from a Headquarters-based structure to a field-based structure by appointing regional MDs to oversee and coordinate medical care in the field. A proposal will be submitted by the Medical Network which is likely to have financial implications for the whole UN system.

(d) **Harmonization and reform of business practices:** The Network established four priority areas: 1) Contractual arrangements; 2) Inter-agency mobility; 3) Senior Management Network; 4) Leadership Development Programme.

113. From the eight pilot projects on "Delivering as One", many HR issues were identified, such as contracts for local staff, performance assessment policies and job classification. The Network agreed that it needed to address these issues as soon as possible and try to harmonize to the maximum possible extent its policies, rules, procedures and systems. The Network plans to visit one of the pilot duty stations in early 2008 to better understand current needs and pressing issues.

☞ Conclusions and Action Points

114. The Committee noted its appreciation for the work carried out by the HR Network and supported the priority areas. Furthermore, the Committee encouraged the Network to examine HR issues related to the eight pilot projects on "Delivering as One" and requested coordination with the FB Network on any financial impacts for the projects under review.

VIII. UN CARES

Document:
  ✓ CEB/2007/HLCM/20 – *UN Cares Proposed Implementation Plan & Budget for 2008-2009*

115. Speaking in her capacity as HR Network Co-Spokesperson, the representative from the United Nations, Ms. Marta Helena Lopez, introduced the UN Cares proposal to the Committee. She explained that, since 1999, a lot had been done by various organizations in the area of HIV/AIDS in the workplace. In many cases, there was a duplication of efforts. Therefore the HR Network believed that it was very important to unite all efforts and to become more strategic in the chosen approach. The Network sought HLCM approval to merge all initiatives into one, under one budget, in order to be more cost efficient and effective. This would also provide an opportunity to organizations with limited funds to be part of a consolidated programme.

116. The Network presented five basic issues for approval:

(a) Adoption of 10 Minimum Standards;
(b) Implementation Strategy based on uniting all initiatives under one budget;
(c) The 2008-2009 Programme of Work;
(d) The budget for 2008-2009, as well as a cost-sharing formula;
(e) To retain the global coordination in New York, hosted at UNFPA.

117. The Network believed that it was very important to give the message to staff that organizations are united in this effort.

118. In various statements, organizations as well as the Co-Chair of the Finance and Budget Network strongly supported the principles of the UN Cares Programme, and encouraged organizations to look at internal ways to finance this kind of activity, as HIV/AIDS in the workplace is a staff issue that needs to be mainstreamed in the regular budgets.

☞ **Conclusions and Action Points**

119. The Committee endorsed the minimum standards, approved the UN Cares programme and agreed that the global coordination for the programme would remain in New York, hosted by UNFPA. Furthermore, it endorsed the implementation strategy within the resources available based on voluntary contributions committed by organizations.

120. The Committee noted with appreciation the commitment by some organizations to provide funding at a later stage, through their 2010-2011 budgets, and encouraged all HLCM members to address the issue of HIV/AIDS in the workplace with the necessary attention.

IX. UN DUAL CAREER AND STAFF MOBILITY

Document:
✓ CEB/2007/HLCM/21 – *UN Dual Career & Staff Mobility: Proposed Implementation Plan & Budget for 2008-2009*

121. The HR Network Co-Spokesperson, Ms. Dyane Dufresne-Klaus, presented the UN Dual Career and Staff Mobility proposal. The programme has been managed by WFP since 2004. The purpose of the programme is to assist spouses of international staff in finding employment, obtaining work permits and settling in new locations in the various duty stations worldwide.

122. The HR Network considered that this support was vital to ensure the success of mandatory rotation. The reality in today's world is that of dual career couples. Therefore, spouse employment supports the recruitment, retention and reassignment of professional staff and is an issue of importance for the whole UN system.

123. The HR Network requested the HLCM to endorse:

(a) the continuation of the Programme;
(b) the implementation strategy for expansion of the programme to a UN System-wide programme and its move to the CEB Secretariat effective 1 January 2008;
(c) the 2008-2009 proposed programme of work; and
(d) the 2008 -2009 budget and cost-sharing formula.

124. Many participants recognized the overall importance of the programme, but were not able to commit financial support. Others could not commit their full share.

125.   The Committee therefore considered the possibility of funding the Dual Career programme on a voluntary basis and limited to the current financial commitments offered by organizations, which would allow a scaled-down version of the programme to continue, pending consideration by other organizations to provide some funding later.

126.   The CEB Secretariat indicated that the proposal was acceptable only upon confirmation of the financial commitments declared by organizations, limited to a scaled-down version of the programme, and with the clear understanding that such approach was not sustainable within the current budgetary framework of the CEB Secretariat.

☞   **Conclusions and Action Points**

127.   The Committee supported the UN Dual Career and Staff Mobility programme, its continuation on the basis of voluntary contributions from organizations and its move to the CEB Secretariat in Geneva as of 1 January 2008.

128.   The CEB Secretariat accepted the proposal pending confirmation of the financial commitments declared by organizations, limited to a scaled-down version of the programme outlined in document CEB/2007/HLCM/21, in a measure compatible with the resources that organizations would commit.

X.   STAFF MANAGEMENT LEADERSHIP DEVELOPMENT PROGRAMME

Document:
   ✓   CEB/2007/HLCM/24 - *Update on Senior Leadership Development Programme*

129.   The representative of the United Nations System Staff College briefed the Committee on the status of the Senior Management Network Leadership Programme (SMNP). He recalled that agencies should now be selecting participants for the SMNP. Participants in the SMNP would be drawn from the Senior Management Network (SMN) membership. A list of notional SMN membership per agency and participant numbers for each SMNP cohort was provided in document CEB/2007/HLCM/24. The HR Network had been invited to assist Executive Heads in the selection process.

130.   Participants should be identified by 30 September 2007. Each SMNP cohort would comprise 49 SMN members which should have a good mix of agencies, gender, nationalities and functions. Furthermore, agencies should be selecting enthusiastic people who would contribute to the programme. The first programme would be held in the Netherlands on 25-29 November 2007. There would be four cohorts each year from 2008 onwards. Agencies should also allocate funds for participation in the SMNP for 2008-2009. The cost for participation per person is US$8,236 plus airfare and DSA.

131.   In view of the fact that the Staff College had made a financial commitment to the Rotterdam School of Management, the College noted that it was taking a financial risk based on the stated commitment of all agencies to participate in the SMNP. In this regard the UNSSC representative emphasized that HLCM members should stand by their commitment, identify participants early and ensure participation in scheduled programmes.

☞   **Conclusions and Action Points**

132.   The Committee encouraged organizations to submit candidates for the SMNP, to allocate the necessary funds for participation, and to support the programme internally through the most appropriate communication mechanisms.

XI.   JOINTLY-FINANCED ACTIVITIES

Documents:

✓   CEB/2007/HLCM/22/Rev.1 – *Cost sharing arrangements for the jointly-financed activities: Review of current methodologies*

✓   CEB/2007/HLCM/XIV/INF.1 – *Letter from UN Controller to CEB Secretary dated 11 July 2007 – response to comments from organizations on Proposed Programme Budget for 2008-09 for ICSC and JIU*

133.   In the conclusions of its 13th session in March 2007, the Committee recommended that the CEB Secretariat prepare a list of all HLCM cost-shared activities, including the amounts subject to cost-sharing and the criteria used for the apportionment of such costs among organizations.

134.   In response to such request, the CEB Secretariat prepared a review of the methodologies used for the apportionment of costs of jointly financed activities, providing some background on the discussion that led to the agreement on such methodologies.

135.   Introducing document CEB/2007/HLCM/22/Rev.1, the CEB Secretariat recalled that all cost-sharing arrangements outlined in the document had been already approved by the Committee at different times and were presented for information purposes only.

136.   The current funding arrangements for the UN Cares and the Dual Career and Staff Mobility programmes were based on voluntary contributions by some member organizations, and any proposals for new approaches were subject to the Committee's review and approval (see Sections VIII and IX above).

137.   Table 5 in the Annex to the document summarized the apportionment of costs for the UN Security Management System for the biennium 2008-2009 among participating organizations, as resulting from the recently revised cost-sharing arrangements. Staff data in the table was from the Headcount of Field staff as of 31 December 2006 carried out by the CEB Secretariat on 12 July 2007. Results from the Headcount were provisional, subject to clearance by organizations.

138.   A revised version of document CEB/2007/HLCM/22/Rev.1, with all cost-sharing budgets and corresponding organizations' shares, would be produced by the CEB Secretariat by 20 October 2007.

139.   The Committee also briefly discussed a recommendation of its FB Network to clarify and reinforce the consultative mechanisms through which UN system organizations provide their input in the budgeting process of jointly financed activities, in particular at the stage of programme of work definition and budget formulation, i.e. before budget proposals are finalized and approved.

☞   **Conclusions and Action Points**

140.   The Committee further endorsed the cost-sharing arrangements for jointly financed activities as outlined in document CEB/2007/HLCM/22/Rev.1. It further decided that, with respect to the Security Management System (SMS), no individual, separate arrangements should be maintained and the shares of the Asian Development Bank (ADB) and of the European Bank for Reconstruction and Development (EBRD) should be calculated based on the formula and criteria used for the other participants in the SMS.

141.   The Committee re-iterated the recommendation that organizations administering the cost-sharing arrangements should make sure that unspent balances for any given biennium are credited directly to the amount due by organizations participating in the cost-shared activities for the following biennium. The review of the 2006-2007 biennium should be carried out by the administering organization at the earliest, to assess the level of roll-over from the accumulated savings and enable participating organizations to evaluate any budgetary implications.

142.   The Committee affirmed that, with respect to the definition of the programme of work of jointly financed activities, as well as to the formulation and approval of their programme budgets, a more participatory and consultative approach was desirable, involving all organizations providing mandatory or voluntary financial support to such activities.

143.   As per its mandate, the FB Network should take the responsibility for cost-sharing formulas and the review of jointly financed budgets included in any proposals submitted to HLCM.

XII. PROCEDURES AND CRITERIA FOR THE PREPARATION OF AGENDAS AND SUBMISSION OF DOCUMENTS FOR CONSIDERATION AND DISCUSSION BY THE HLCM AT ITS SESSION

Document:
   ✓   CEB/2007/HLCM/26

144.   The HLCM at its 13th session in March 2007 heard the comments of several organizations, suggesting that more strict criteria be fixed to submit documents for consideration and discussion by the HLCM at its sessions. Such criteria should include both a limit to the length of each document, as well as a deadline for the submission of the documents for circulation prior to meetings.

145.   Such comments met wide support within the Committee. In particular, it was underlined that compliance with similar self-imposed criteria would greatly facilitate the Committee in carrying out its mandate which, as per its Terms of Reference, includes "*acting on behalf of and in the name of CEB on matters affecting the administrative management of all member organizations*" and "*taking decisions on behalf of the Executive Heads*".

146.   The Committee therefore asked the CEB Secretariat to draft procedures and criteria for the preparation of agendas and for submission of documents for consideration and discussion by the HLCM at its sessions, and to submit this proposal to the Committee for approval at its next session.

147.   The CEB Secretariat outlined the guidelines proposed in its document.

☞   **Conclusions and Action Points**

148.   The Committee endorsed the criteria outlined in document CEB/2007/HLCM/26.

XIII. OTHER BUSINESS

A.   Establishment of a UN System-wide Evaluation Mechanism

Document:
✓   CEB/2007/HLCM/27 and CEB/2007/HLCP/XIV/CRP.13

149.   At the HLCM/HLCP joint session of March 2007, the Chair of UNEG presented a note which discussed existing evaluation capacities, areas for improvement and proposals for system-wide action.

150.   Member organizations welcomed the UNEG proposal and highlighted the need to further elaborate on the scope, funding, and governance of the suggested system-wide evaluation unit. UNEG was requested to expand on these aspects of the proposal in cooperation with the CEB Secretariat, to take account of the comments provided and to present a revised version of its paper to the two Committees.

151.   In response to HLCM's request, UNEG prepared a follow-up paper on the subject (CEB/2007/HLCM/27), which the Chair of UNEG introduced to the Committee.

152.   In conjunction with this proposal, the HLCP considered another document by UNEG on evaluation of the pilot initiatives for "Delivering as One" (CEB/2007/HLCPXIV/CRP.13).

153.   UNEG's paper included the responsibilities, resource requirements, and the institutional arrangements and governance of a proposed system-wide evaluation unit, whose objectives would be to promote transparency, accountability and learning in the UN system as a whole on its effectiveness in delivering system-wide goals, including the Millennium Declaration.

154.   A critical point highlighted in the document was the fact that, to ensure credibility, any UN-wide evaluation system must be independent in its work. However, its evaluations should meet the priority needs of the stakeholders, including the general public in member nations. Development of evaluation capacity in the member countries should be promoted, including a culture of independent evaluation, so that they can increasingly take the lead in the evaluation of programmes designed for their benefit.

155.   This paper generated a rich discussion among participants, and different views were expressed.

156.   There was general agreement among member organizations that evaluation was one of the major drivers for system-wide coherence and a critical element to promote transparency and accountability in UN system activities, and that the idea for a system-wide evaluation mechanism was an "idea whose time had come".

157.   Some organizations were in favour of an early start of the proposed system-wide unit, possibly with a phased approach to implementing the work programme of the unit. UNEG expressed full agreement with a phased start up.

158.   Others suggested drawing on the experience of the ad-hoc evaluation of the "Delivering as One" pilots, whose lessons would be of high value for the formulation and implementation of the appropriate framework for the evaluation of system-wide activities.

159.   Some others stated that, in any case, decisions on such matter would require the approval of their Governing Bodies.

160.   On the issue of funding, some expressed reservations on the possibility to commit resources at this time, and others suggested that funding for evaluation be provided from the respective programme resources.

161.   One participant felt that the current ad-hoc arrangements for system-wide evaluation seemed to work well. This view was not shared by other participants and UNEG, who explained that the One UN Pilot evaluation which had been requested by the CEB has been initiated, but the experience was difficult. UNEG had established a management group which was imposing a major workload on participating directors of evaluation over and above their own organizational responsibilities and securing funding for this evaluation had continued to be difficult, adding to the managerial problems.

162.   It was agreed that HLCM would highlight the continuing importance of the matter of establishing a UN system wide evaluation mechanism to the CEB, while recording the differences of opinion on implementation.

☞   **Conclusions and Action Points**

163.   The Committee recommended that UNEG continue to work on the development of a proposal, for consideration at its next session. An area for further UNEG elaboration could be options regarding phasing in the start up and work programme and in arrangements for funding the core evaluation capacity and the individual evaluations. The HLCM would examine alternatives including proceeding on the basis of a cluster approach.

164.   The Committee also agreed that this would be kept a "live agenda item" for future sessions of HLCM and HLCP.

165.   The Committee encouraged HCLM members to work to build internal support for this initiative in their respective organizations, and to provide feedback to UNEG in the next months on their views and positions, in order to actively contribute to the design of a proposal that could meet broad favour at the next inter-agency discussion.

B.   Proposal by the Environmental Management Group on UN Climate Neutral Project

Documents: EMG, Progress Report to the High-Level Committee on Programmes, Agenda item 3(a): Climate change

166.   The Director of the Environmental Management Group (EMG) briefed the Committee on the EMG's proposal on climate neutrality in the United Nations system. The proposal outlined in the EMG paper had been previously discussed in the High Level Committee on Programmes (HLCP), which judged that the proposal had considerable management implications and therefore requested HLCM to take it up for initial review.

167.   Following meetings in 2006 and 2007 of the UN Secretary-General's Policy Committee, requests were made to EMG to take a leading role in making the UN climate neutral.

168.   In a letter dated 9 July 2007, the Secretary-General wrote to Executive Heads of UN agencies, funds and programmes, stating his pledge to make in-house practices more climate-friendly and environmentally sustainable and to develop a climate-neutral approach for the organization's premises and operations.

169.   The EMG constituted an open-ended Issue Management Group (IMG) on climate neutrality, which met from 25-27 June 2007, in Washington, D.C. An IMG on sustainable procurement also met during this period.

170.   That meeting requested the EMG to prepare a draft statement to be approved by the Secretary-General and Executive Heads of the organizations of the UN system on a climate neutral UN, as well as a related background strategy paper to support the draft statement.

171.   Annex I to the document contained draft text for a political commitment to be made by the Executive Heads of agencies in response to the initiative of the Secretary-General. The strategy paper contained in Annex II was meant to provide analytical support to the statement in Annex I.

172.   In addition to these Annexes, EMG was preparing an initial, first order estimate of each organization's inventory of greenhouse gas emissions for those member organizations that are in a position to do so. This preliminary inventory would be available for the 8 October meeting of the EMG.

173.   The EMG proposed strategy to make the United Nations system climate neutral consists in: a) implementing measures to reduce greenhouse gas emissions on an on-going basis, as part of a plan containing targets and b) offsetting the remaining greenhouse gas emissions.

174.   EMG requested the Committee to endorse its proposal. It also asked organizations to commit on a number of actions to be taken internally and externally.

175.   In the discussion that followed, several comments and suggestions were offered by member organizations. Among these, the possibility of re-looking at the language of the statement contained in Annex I, with a view to take better account of the political implications of the issue.

176.   Many participants also suggested that any such proposal, which clearly carried heavy implications on the management and functioning of organizations, would have to be formulated including reliable estimates of implementation costs and an indication of the criteria used to calculate such costs.

177.   The Committee also suggested developing a more comprehensive plan of action, which would enable organizations to better evaluate the impact of the proposal on their ability to deliver on their programmatic mandates.

☞   **Conclusions and Action Points**

178.   The Committee took note of the EMG proposal and of the principles stated in it.

179.   The Committee suggested that EMG continue its work on the draft paper, taking account of the comments provided by organizations during the discussion, namely on the financial implications and detailed modalities of the recommended actions.

180.   HLCM members would brief their Executive Heads and appropriate representatives in their respective organizations in view of the upcoming EMG meeting of 8 October and CEB meeting of 26-27 October.

C.   Briefing by Mr. Kemal Dervis, UNDP Administrator, on the recent developments with the issue of Ethics

181.   The UNDP Administrator had been invited by the Committee to offer his view on the recent developments on the issue on Ethics.

182.   It was clear that a certain degree of informality and unstructured approach that had characterized the work of UN system organizations in the past was no longer sustainable in the current context of significantly larger magnitude of the activities carried out, in terms of actual value, scope as well as delegation of decision making and implementation authority to unnumbered locations across the world.

183.   Three dimensions were indicated as appropriately fitting in any notion of Ethics in the context of an organization: the personal one (financial disclosure, certification processes, etc.); the advisory one (training, conflict of interest, etc.); and a last dimension that concerns the structures, modalities and mechanisms for identification and treatment of actual cases of misconduct and allegations of misconduct.

184.   All such dimensions, and particularly the first two, made good cases for the development of harmonized approaches, common guidelines and procedures, and for the sharing of experience and best practices among UN system organizations, to learn from each other and avoid duplication of efforts.

185.   Mr. Robert Benson, the newly appointed Director of the United Nations Ethics Office, who was invited to participate in the discussion, also offered his view on some of the issues raised. In particular, he emphasized the fact that the United Nations system, as the pre-eminent

public sector entity, had to be the first in public sector Ethics, and that the job of the Ethics Office was being carried out in the interest of the organization, not in the interest of management, or of the individuals, or the staff associations.

☞   **Conclusions and Action Points**

186.   The Committee thanked the UNDP Administrator and the Chief of the UN Ethics Office for their valuable contribution to the discussion, and committed to continue to devote the necessary attention to this critical matter, also and especially from any points of view that could be of relevance at the system-wide, inter-agency level.

Annex 1

List of Participants

Chairperson: Ms. Thoraya Obaid (UNFPA)
Vice-Chair: Mr. Denis Aitken (WHO)
(Acting) Secretary: Mr. Remo Lalli (CEB Secretariat)

Organization	Name – Title – Division
United Nations	**Ms. Aliciá Barcena** Under-Secretary-General, Department of Management
	Mr. David Veness Under-Secretary-General, Department of Safety and Security
	Mr. Nicolas Michel Under-Secretary-General, The Legal Counsel Chair of the HLCM Legal Network
	Mr. Warren Sach Assistant Secretary-General and Controller
	Mr. Robert Benson Director, Ethics Office
	Mr. Jay Karia Director, Division of Accounts, Co-Chair of the FB Network
	Ms. Marta Helena Lopez Chief, Human Resources Policy Service, Office of the HR Management Co-Chair of the HR Network
	Ms. Neeta Tolani Executive Officer, Department of Safety and Security
	Ms. Patricia Georget Legal Officer, Office of Legal Affairs, United Nations
FAO	**Mr. Khalid Mehboob** Assistant Director-General Department of Human, Financial and Physical Resources.
	Mr. David Benfield Director, Information Technology Division Knowledge and Communication Department
UNESCO	**Ms. Dyane Dufresne-Klaus** Director, Bureau of Human Resources Management Co-Chair of the HR Network
	Ms. Yolande Valle Director, Bureau of Budget
UPU	**Mr. Guozhong Huang** Deputy Director-General
ITU	**Ms. Yajaira Freudiger** Chief, HR Administration Division
IMO	**Mr. Andrew Winbow** Director, Administrative Division

Organization	Name – Title – Division
WHO	**Mr. Denis Aitken** Assistant Director-General Representative of the Director-General for Partnerships and UN Reform
	Ms. Namita Pradhan Assistant Director-General, General Management
	Ms. Susan Holck Director, General Management
World Bank	**Mr. Robert V. Pulley** Director, General Services Department
WIPO	**Mr. Carlos Mazal** Senior Counsellor
IFAD	**Ms. Jessie Rose Mabutas** Assistant President, Finance and Administration Department
UNIDO	**Mr. Jang-Won Suh** Managing Director, Programme Support and General Management Division
	Ms. Amita Misra Director, Financial Services Branch, Division of Administration
	Ms. Sotiria Antonopoulou Director, Human Resource Management Branch
UNWTO	**Mr. Peter Shackleford** Director, Administration Division
IAEA	**Ms. Tracy Brown** Liaison Office, New York
UNCTAD	**Mr. Oluseye Oduyemi** Director, Division of Management
UNDP	**Mr. Kemal Dervis** Administrator
	Ms. Akiko Yuge Assistant Administrator and Director of Bureau of Management
	Mr. Thomas Eriksson Chief of Staff, a.i., Bureau of Management
	Ms. Saraswathi Menon Director of the Evaluation Office - Chair, UNEG
	Mr. James Provenzano Representative of the HLCM Procurement Network
UNICEF	**Mr. Omar Abdi** Deputy Executive Director
	Ms. Catty Bennet Executive Officer, Office of the Executive Director
	Mr. Claus Andreasen Director, Internal Audit, Representative of UN-RIAS

Organization	Name – Title – Division
UNFPA	**Ms. Thoraya Obaid** Executive Director
	Mr. Subhash K. Gupta Director, Division for Management Services
	Mr. Klaus Beck Special Assistant to the Deputy Executive Director (Management)
	Ms. Laurie Newell Global Coordinator, UN Cares
UNHCR	**Ms. Emmy Takahashi** Senior Policy Advisor, UNHCR Office in New York
UNEP	**Mr. Janos Pasztor** Director, EMG
UNOV/UNODC	**Mr. Franz Baumann** Deputy Director-General, UNOV and Director for Management, UNODC
WFP	**Ms. Susana Malcorra** Deputy Executive Director, Chair of the ICT Network
UNAIDS	**Ms. Deborah Landey** Deputy Executive Director
UN-HABITAT	**Mr. Antoine King** Director, Programme Support Division
ITC	**Ms. Eva K. Murray** Director, Division of Programme Support
UNOPS	**Mr. Vitaly Vanshelboim** Deputy Executive Director
UNSSC	**Mr. Michael Alford** Head, Liaison Office, Geneva, & Coordinator Leadership Development Programmes
ICSC	**Mr. Kingston Rhodes** Chairman
	Mr. Wolfgang Stoeckl Vice-Chairman
	Mr. John Hamilton Executive Secretary – ICSC Secretariat
CCISUA	**Ms. Rita Wallace** President, UNICEF New York Staff Union
	Mr. Ronald Hall President, Field Staff Union
FICSA	**Mr. Robert Weisell** President

Organization	Name – Title – Division
CEB Secretariat	**Mr. Adnan Admin** Director
	Mr. Remo Lalli Acting Secretary, HLCM
	Ms. Marta Leichner-Boyce Senior Inter-Agency Advisor, HR Management
	Ms. Laura Casinelli HLCM Support

Annex 2

Statement by the President of FICSA

The President of FICSA noted that FICSA and CCISUA had not had the opportunity to review with each other their respective notes but upon hearing CCISUA's position on the seven points or issues, he could confirm that there was a general agreement as to their importance and positions taken.

He continued by noting that as had been mentioned by several members of the HLCM in referring to the diversity of the various UN organizations, the staff membership itself constituted a very disparate and diverse group. In addition this phenomenon of greater heterogeneity was increasing and increased the difficulty of providing unified staff representation. FICSA was particularly concerned about the effects of out sourcing, off shoring and other administrative initiative on staff representation. The question is: who will (and is) representing these people who are in some cases not considered staff. FICSA noted and been preoccupied with assisting staff from what might be described as hybrid and very small organizations which were created and became operational before the necessary administrative/mechanisms and policies were in place. This has often resulted in the absence of adequate redress procedures, leading to discontent and distraction. The "One UN" and at the present moment the eight pilots of the "Delivering as One" strategy have important implications for staff representation. For example, would a WHO staff member working in a "Delivering as One" unified office still relate to and be represented by the WHO Staff Association in the region or would there be another structure for staff representation within the unified office? Most importantly would such a new approach to staff representation be robust, independent and effective. The President closed by observing that perhaps the presence of the SMCC which accommodated and involved UN Secretariat and Funds and Programs staff in developing agreed HR and administrative procedures but did not include the rest of the UN staff was not the way to continue in the future, particularly with the emphasis on "One UN" and "Delivering as One".

The FICSA representative then turned to a very pressing issue with which FICSA and the CEB had been struggling for the past six months. He was requested first to provide background on the subject. It concerned the expressed inability of the two relatively small organizations with which the two nominated candidates for General Secretary were staff members to release them for this position with continued full financial support, if elected. At the time of the 60th FICSA Council in February 2007, the candidate from IMO had withdrawn due to the prospect of there being no release with full pay and while the WMO candidate was duly elected, unresolved delays in her release resulted in her resignation as General Secretary. This unsatisfactory situation resulted in the an intense dialogue with the HR Network and a review of the 1977 to 1983 discussions between FICSA and the CCAQ on the release of the FICSA President and General Secretary and the possibility of initiating a cost-sharing payment scheme.

The group was informed that during the last few months, due largely from the urging and involvement of the CEB Secretariat and Spokesperson, IMO developed a two-year payment plan for the IMO candidate who had been re-nominated for the by-elections, to be carried out most probably in the near future. However, WMO had been unable to arrive as its own solution and it was unclear how this would be resolved satisfactorily. The President stressed that it was important than release be assured for any candidate since by such not being the case, the complete and open democratic process would be violated. It was agreed that while it was important to reach a solution for the immediate problem, a longer, more viable solution needed to be developed and the HR Network agreed to address this issue via a small working group.

Annex 3

Statement by the Vice-President of CCISUA

Ladies and gentlemen, I am here representing thousands of dedicated staff around the organization who work in the following organizations:

ECA
ECLAC
ESCWA
DPKO (Field Staff Union)
ILO
International Criminal Tribunal for Former Yugoslavia—ICTY
International Criminal Tribunal for Rwanda—ICTR
UNESCO
UNHCR
UNICEF
UNIDO
UN Geneva
UN Nairobi
UN Vienna
UN University

As staff we are as diverse as the mandates of our individual organizations, but we are united in our passion for the work of the United Nations. As a federation of staff unions and associations, we in CCISUA are seized by the imperatives that staff deserve the organization's protection, regard, acknowledgement and consideration. We are all affected by the momentous changes which are taking place throughout the United Nations, from the effects of UN reform, to standardization of contracts, to something as mundane as common accounting standards. Everything will have an effect on staff and we believe that it is in the interest of the health of the organization as a whole to ensure that staff have all the help they need to move forward in recreating the United Nations into an organization whose relevance in the 21st Century will never be questioned.

We need to draw your attention in particular to several areas where we are especially challenged:

1. **Staff Security**: It is no secret that in some countries United Nations staff are extremely vulnerable, and are sometimes targeted by national groups or individuals because of the very work we do. We note the efforts across the organization to improve the safety and security of our staff and look forward to the discussion on the security paper. We must highlight the issue of the unequal treatment of national versus international staff in the area of security: this is one which still seeks a solution. We believe that the mission of the UN should not be compromised by the insecurity of any of our staff, whatever their category. The UN cannot continue to allow its staff to be killed when civil conflict or war breaks out on the premise that the security of national staff is not the UN's responsibility. We leave our staff to the mercy of state actors who may not have the same respect to human life as the UN purports to have. We must ensure protection of our national staff whenever their lives are in danger, taking appropriate measures, which should include evacuation where warranted.

2. **Contracts**: CCISUA supports the SG's proposal to have a standard series of contracts applicable to all UN staff across the board, with no diminution of benefits or acquired rights to existing staff, and which will at the same time allow the UN to attract and retain highly skilled staff. The UN should also be able to reward long-term staff who have worked in the organization. In this regard CCISUA supports the position expressed by the SMCC at its meeting earlier this year in Cyprus.

3. **Job Security** is closely linked to the issue of contracts. Across the organizations we represent, there is the talk of outsourcing of staff functions. Often our executive heads are following

recommendations from outside consultants with little knowledge of the UN's work, impact, and unique position. These sometimes lead to less than well-thought-out decisions which will have a radically negative effect on the work of the organization. We recommend to our management that discussions on outsourcing should be fully participatory with staff so that all the ramifications may be considered.

4. **Mobility**: Any mobility policy must be voluntary, and must balance staff needs with those of the organizations. It would need to be accompanied by training, take into account the family situation of the staff member concerned, be linked to incentives and promote career development. Implementation of the policy must not be "mechanical" or forced. We support the efforts to formalize and build a dual career policy because we believe that spousal employment is key to a successful mobility policy.

5. **Staff Development**, including the development of staff unions and associations is extremely important. Existing staff need the help of the organization in supporting and encouraging professional development, which will enable the staff to be flexible, mobile and better able to serve the organization. We note the plan for the SMN Leadership Development Programme, and believe this should be extended to include any staff chairperson who is in, or entitled to, full-time release. Under the criteria for the leadership development programme, any staff chairperson who is in full time-release fits these criteria: large number of staff; involved in policy discussions, etc. We request that this be seriously considered. Training of staff representatives at all levels is sorely needed and we believe this would be a good starting point.

6. **Effect on staff of One UN**: Much of the impact of the "One UN" initiative was being felt in the field, and in particular in the eight "One UN" pilot countries. In these instances staff need as much protection as could be afforded. There continues to be a lack of clarity as to the best way forward in implementing "One UN", with different agencies adopting different methods. We believe there should be coherence and consistency in the treatment of staff in the eight UN pilot countries, especially as these are supposed to be the models for the future roll-out of more "One UN" duty stations.

7. **Salary Survey Methodology:** Our staff are worthy of a living wage. In some countries, especially those emerging from war or civil conflict or those that have had serious economic problems, the Fleming principle is not working due a lack of comparators and a lack of flexibility in the salary survey methodology. As a result hundreds of our staff are unable to provide for their children despite the fact that they work for an organization dedicated to humanity and fairness. Given that the methodology is scheduled to be revised in 2008, we intend to coordinate efforts with FICSA to ensure that staff receive a living wage wherever they serve in the organization. We ask for and expect the support of our managers in ensuring that we have a new methodology that will work for all our staff.

These are only a few of the issues which we could bring to you, but we will spare you in the interest of time.

I thank you for your attention.

Annex 4

Statement by the Chairman of ICSC

1.   Madam Chair, Committee members, colleagues, I am delighted to be here today to share with you the vision of the members of the International Civic Service Commission for stronger partnerships and improved cooperation with the CEB, staff representatives and organisations of the UN common system.

2.   Both the Vice-Chairman, Wolfgang Stoeckl and I, who are not in any sense new to the Commission or its recent history, decided together upon our appointments that for the ICSC to succeed as a strategic organisation within the Common System, it would need strengthened partnership with organisations. Shortly after taking up office and with this in mind, we first met with United Nations Secretary-General, Mr. Ban Ki-moon, and then with the heads of the other New York-based agencies. These contacts were subsequently followed-up with visits to the Vienna-based organizations where we met with their respective executive heads, directors of Human Resources and other key officers in the human resources function. The objective was to listen and learn, to identify and better understand the challenges facing organizations.

3.   Just before commencing our latest session in Geneva and as part of the effort to strengthen partnerships, we requested a special meeting between commissioners and representatives of executive heads of the Geneva-based organisations. During that meeting participants suggested that the presence of the ICSC in fora such as this one should be encouraged. We are happy to be here and we thank you for inviting us. We believe that it would be mutually beneficial for us to participate in some sessions of the governing bodies of individual organisations where recommendations or decisions of the ICSC on core issues are being considered. We hope that by doing so we can generate greater understanding between us.

4.   In July, the Commission together with the members of its secretariat convened a retreat to re-examine its role and seek ways in which we could become more proactive through improved relationship with all our partners. I am here today to brief you on the outcome of our discussion as it concerns the improvement of cooperation with the CEB and the organisations of the United Nations.

5.   At this retreat, there was a strong and unanimous commitment to change and we identified a number of important goals toward which we have begun to work. It was acknowledged that in order to be successful as a commission and as organizations, we needed to go beyond reacting to the changes around us. Change should be anticipated and embraced. Acknowledging also that success of the common system required both coherence and flexibility; the Commission pledged to seek better ways to make itself a strategic partner with the organisations of the common system and to facilitate HR departments in the organisations' quest to become more responsive to changes in the business environment.

We have committed ourselves to work towards coordination among all our stakeholders in order to achieve more coherent and effective human resource management across the common system.

6.   The Commission has also decided to have shorter formal sessions and increase the use of informal meetings, introducing "task groups" and utilising fora such as retreats. We feel that this will be more efficient in terms of time spent away from their desks by HR managers of organisations who attend our sessions. The use of retreats will open up the deliberations of the Commission and provide for frank discussions, given the more informal atmosphere. We will continue to utilise working groups to analyze complex issues. This collaborative approach has proved extremely useful as a means of building confidence and understanding. In order to remain in sync with our partners, we will be giving priority to those issues which organizations pinpoint as being of high value to them and the future of the common system. Included are such areas as performance management, mobility and other measures to promote increased productivity and efficiency within organisations.

7.   Our action plan, developed as a guide to our future performance, to assist us with streamlining our working methods, thus making more effective use of available resources, speaks to the development of

the Commission's policy capacity over time; strategies to strengthen the consultation process with organisations and staff, building consensus and developing modalities to expedite decision-making, including being more timely and precise in responding to the GA and other governing bodies.

8.   Our expectation for the future work of the Commission is about leading change, building trust and maintaining the unity of a common system that is modern, equitable, dynamic and merit-based; with HR systems in place to secure, grow and retain managers and staff of the highest standards possible. We are looking forward to working very closely with you our partners to effect change in the direction I have just described. A look at your agenda for today, reveals that in many instances, your Committee and the Commission are occupied with the same concerns and that indeed we share the same objectives - greater cohesion across the UN common system, greater mobility among common system employees, making the UN organisations employers of choice by adopting best practices from within and outside of the common system and the minimisation of competition for high quality staff among UN organisations.

9.   Notwithstanding, our secretariats are at present operating to some degree in isolation of, even if not at cross-purposes with, each other. I am aware that in the past, in our efforts to preserve equity across the common system and to facilitate business in such a way as to avoid dissention and competition, we have not always been able to satisfy everyone, thus engendering a certain measure of dissatisfaction. The organisations of the United Nations have such dissimilar functional roles and responsibilities, that it often seems that decisions made by the ICSC, do not always meet the interest of all organisations and staff of the common system and are sometimes deemed to be not feasible for implementation by some of them. Sometimes these are brought to the attention of the Commission and its secretariat. At other times not!

10.   I hope that this will not be so in the future. We hope to work with the CEB and the organisations in very tangible ways. For instance, we hope to work with you to create a solid human resources database with a view to improving the exchange of information and data between the ICSC, the CEB and the organisations of the common system.

11.   Continuing on the subject of working together, I noticed that one of the projects being proposed by your secretariat is a comparative analysis of the staff regulations and rules of the organizations. We welcome this initiative and would be willing to participate or to facilitate any aspects of the project which in your view, would help to enhance or expedite it. As a matter of fact, we had ourselves intended to request organisations to provide us with updated versions of their staff rules and regulations. This, we felt, would be more efficient than requesting organisations to update us from time to time on practices within their organisations and would empower the Commission and its secretariat to analyse and share best practices among the several organisations of the common system. Not only is this in line with Article 15 of our Statute, it would put the Commission in a pivotal position to add value to the development of HR within the common system. Our secretariat will of course consult with the CEB secretariat before proceeding to avoid approaching organisations twice to provide the same data.

12.   Finally, change is a process. The UN will not become fast, flexible and coordinated overnight. Like any other process, there are steps that need to be worked through. In the absence of a collective vision and a shared commitment to change, there can be no successful reform of the UN common system. Our concept is of a single UN family with easy access from one organisation to another, where talent and contribution are fully recognised and where staff members are encouraged to commit to organisational and UN-wide goals. The Commission is serious about its role in enhancing the effectiveness of the common system; I know that you are too. In this regard let us remind ourselves of what the UN Secretary-General said in his acceptance speech to the General Assembly: "the true measure of success for the United Nations is not how much we promise, but how much we deliver to those who need us most". We, as a commission, are reengineering ourselves to impact the inevitable changes within the UN organisations and we are looking forward to a closer collaboration with you on all matters of common interest.

13.   Madam Chair, colleagues, I thank you.