Chief Executives Board **for Coordination**	CEB/2013/3 22 March 2013

Conclusions of the Twenty-fifth Session of the High Level Committee on Management

(Rome, 7-8 March 2013)

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Introduction

1.	The High Level Committee on Management held its twenty-fifth session at the Headquarters of the International Fund for Agricultural Development (IFAD), Rome, 7-8 March 2013. The meeting was chaired by the Committee's Chairperson, WIPO Director General, Francis Gurry, and Vice-Chair, UNAIDS Deputy Executive Director, Jan Beagle.

Adoption of the agenda

📄 **Documentation:**
   ✓	CEB/2013/HLCM/1 – Provisional Agenda
   ✓	CEB/2013/HLCM/1/ Add.1 – Programme of work
   ✓	Checklist of Documents

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 I.

4.	The checklist of documents is in Annex II. All documents related to the session are available on the CEB website at:	http://www.unsceb.org/content/march-2013-1

5.	Welcoming the Staff Federations, the Chair noted that the programme of work had been structured following the directions emerging from the Committee's retreat of 14-15 January 2013, i.e. without reports from the Networks, and without an agenda item called "dialogue with the staff". The Federations were instead invited to attend, as observers, the discussions on agenda items of direct relevance to the staff, and to offer their contributions during the substantive discussions of such items. Any written statements provided by the Federations would continue to be annexed to the final report of the meeting.

## I.	HLCM Strategic Plan and Working Modalities

📄 **Documentation:**
   ✓	CEB/2013/HLCM/2 – Draft HLCM Strategic Plan
   ✓	CEB/2013/HLCM/2/Add.1 – Results Framework

6.	At its 24th session in September 2012 the HLCM decided to launch a process for the development of a Strategic Plan for the next three to five years, centered on a set of priority and strategic issues around which to focus the work of the Committee in the medium term, reflecting the vision and ownership of the entire HLCM membership, and aimed to reinforce the Committee's relevance and value for member organizations and for the CEB.

7.	Following the extensive discussion started right after the September session, through the round of consultations led by Mr. David Waller and, subsequently, the Retreat of 14-15 January 2013 at the UNSSC, the Committee was now called to review and approve the draft Strategic Plan, inclusive of revised working modalities, and of a Results Framework outlining the expected deliverables under each strategic priority.

8.   The Chair recalled three key principles informing the Strategic Plan:

a.   The priorities included in the Plan should reflect the consensus of all HLCM members. Their implementation, by means of the concrete deliverables outlined in the Results Framework, would take due account of the differences between organizations and leverage on the commonalities and shared operational requirements of the different actors of the UN System.

b.   While all priorities would be pursued with full participation by all members, the Committee agreed to the principle that some activities can be conducted with an opt-in/opt-out approach.

c.   The full set of priorities outlined in the Strategic Plan was framed against a paramount principle: that the UN System of organizations will preserve and foster the safety and security of their staff.

9.   The ensuing discussion sought to confirm that the draft Strategic Plan reflected the collective vision of HLCM members; that it put forward ambitious but realistic, far-reaching, game-changing proposals that could make a quantum difference; and, that it identified the system-wide priorities concerning which there was value in collective discussion and coordinated action through the HLCM. As the Chair underlined, the ultimate aim was the modernization of the administration and management function of the UN System, to make it more adaptive and agile in delivering programmatic mandates.

10.   The subsequent discussion confirmed the consensus already emerged at the Retreat on the new working modalities, i.e. on the changes to the format and structure of HLCM meetings and on the relationships among the Committee's working mechanisms. In this respect the representatives of FICSA and CCISUA noted that the more inclusive formula for dialogue between the HLCM and staff representatives would include participation in discussions on substantive items. They reiterated their interest in being consulted in future steps related to the development of the Strategic Plan.

11.   Finally, the Committee conducted a review of the draft Results Framework, with the understanding that this was a living document that would have to be updated regularly on the basis of emerging priorities and new mandates. The Framework represented a high-level reference work-plan synthetizing the commitment of organizations to engage in the hard work that implementing the priorities would require.

➢   HLCM:

12.   Approved the Strategic Plan 2013-2016, inclusive of revised working modalities, as presented in document CEB/2013/HLCM/2 (annexed to the present report) for submission to CEB at its first regular session of 2013.

13.   Endorsed the structure and contents of the draft Results Framework as presented in document CEB/2013/HLCM/2/Add.1, and agreed that a revised version of the Framework, including responsibilities and timelines, and incorporating comments and suggestions put forward during the discussion, would be finalized and approved electronically by end of April 2013. The Committee further agreed that the Results Framework would be updated regularly on the basis of emerging priorities and new mandates.

14.   In response to the request formulated in the *Quadrennial Comprehensive Policy Review (QCPR) of Operational Activities for Development of the UN System*, agreed that the Chair of the ICT Network would lead the development and carrying out of a study to examine the feasibility of establishing interoperability among the ERP systems of the UN organizations. The Committee further emphasized that the study should address objectives related to "information interoperability" as opposed to "technical interoperability". The Committee also agreed to form a project steering group under the leadership of the ICT Network Chair, including managers of agencies, funds and programmes, as well as member States and industries. Financial support from interested member States, industries and organizations would be sought following the development of the project terms of reference.

II.   ICSC Review of the Common System Compensation Package

Documentation:
- ✓ CEB/2013/HLCM/3 – Note by the HR Network on the ICSC review
- ✓ ICSC/76/R.3 – Review of the common system compensation package

15.   At its 76th session, the ICSC secretariat presented its plans (ICSC/76/R.3) to review the current compensation package for the UN Common System.

16.   With full awareness of the potential impact of this Review on the management of UN System organizations, HLCM had included this subject, with top priority, in its Strategic Plan.

17.   The HLCM Vice-Chair stressed that it was critical for HLCM to engage directly and actively in this Review, to contribute to the formulation of its objectives, approach, format and timelines, and to its implementation.

18.   The Committee unanimously supported a human resources management agenda that had, as its overarching goal, the continued development of the international civil service as an independent, neutral, highly skilled and engaged resource to meet the ever-changing requirements of the international community.

19.   A key expected outcome of this endeavour was a strengthened leadership and managerial culture and organizational environment that recognize good performance, strengthen linkage to career development, and appropriately address poor performance.

20.   The fundamental challenge of an HR management reform agenda was to determine how best to attract, retain, and deploy the talent necessary to deliver the broad spectrum of programmatic activity in the multitude of geographic locations where the UN system operates. The most immediate means to pursue this goal was by engaging in a constructive dialogue with the ICSC in the context of its review of the Conditions of Service for UN system staff, and aim to develop a proposal for a competitive and simplified compensation package that enables organizations to attract and retain staff of the highest calibre and reduce transaction costs, taking into account evidence from systematic data gathering and monitoring on relevant trends.

21.   The Co-Chair of the HR Network presented a note (CEB/2013/HLCM/3) on how the Network was planning to engage in the ICSC review and on the principles that would inform its action. She also updated the Committee on the discussions that had taken place at the ICSC's 76th session, which was taking place concurrently with the HLCM meeting. The representatives of CCISUA and FICSA highlighted the need to work in consultation on the basis of factual information. They also stressed the extreme importance of being guided by the principles set forth in the UN Charter, safeguarding the equity and fairness of the compensation package.

➢   HLCM:

22.   Considered that the review of the compensation package of the staff of the UN common system presented a strategic opportunity to support organizations to attract, retain and deploy staff to fulfil mandates most effectively in the changing international context

23.   Endorsed the principles set by the HR Network to inform the review, as follows:

      a. Fit for purpose, thus enabling a staffing model that is high performing and mobile;
      b. Holistic and forward-looking, catering to different skills and needs;
      c. Long-term perspective that results in a sustainable package that is adaptable and flexible and not driven by the current immediate financial situation;
      d. Simplification, ease of administration and understanding, for example streamlining and lump-sum options;
      e. Reduction of transactional costs;
      f. Consideration of the expatriate nature of internationally-recruited staff;
      g. Incentives for service in hardship and high-security risk duty stations;
      h. Desirable gender balance in staff population.

24.   In addition, HLCM stressed the following principles:

      i. Competitiveness;
      j. Equity and fairness;
      k. Diversity;
      l. Encouragement of performance, results-focus and mobility;

25.   Emphasized the need for close collaboration with the Staff Federations throughout this exercise and for clear communication with staff at large, including the development of a common communication message.

26.   Given the long term, high potential impact of this review and the need to develop rapidly a common system-wide proposal based on evidence and data, requested its secretariat to put together a small group of HLCM members to provide strategic guidance and support to this work, and to engage some external expertise to carry out research and contribute to the development of proposals to ICSC. HLCM members further agreed to dedicate internal expertise and financial contributions to this project, as required.

27.   Decided to keep this issue on the agenda as a standing item throughout the review.

28.   By the end of March 2013, the HR Network would inform the Committee on the planned next steps, based on the outcome of the ICSC's 76th session and the subsequent discussions within the Network.

III.   Improved Efficiency and Cost Control Measures

Documentation:
   ✓ CEB/2013/HLCM/4/Rev.2 – Actions undertaken by the UN system on Efficiency and Cost Control Measures

29.   In response to the Committee's decision at its March 2012 session, organizations reported back on initiatives put in place to reduce costs and achieve efficiencies. The submissions from organizations were compiled by the CEB Secretariat into CEB/2013/HLCM/4/Rev.2.

30.   The Committee was briefed on four of the initiatives that were submitted, selected based on replicability, potential impact in terms of efficiency gains, and relevance to the Strategic Plan.

31.   The first presentation was by the three Rome-based organizations (FAO, IFAD and WFP) and focused on location-based collaboration highlighting two areas: Procurement and Travel.

32.   The first concrete example of this collaboration was on contracts for electricity. Following that first experience, organizations established a common procurement team, hosted by FAO. This team works together twice a week to handle all of the headquarter procurement for the three agencies. Since 2010 joint tenders totalling approximately $40 Million, have been carried out. Some of the commodities for which joint procurement has been used include electricity, petrol cards, stationary, catering services, cleaning services, mobile phones, and training.

33.   An important lesson learned is that successful collaboration requires trust and hard work, as well as taking practical, flexible and sometimes difficult decisions. Trust has been built up over time and with that, collaboration has increased. It has also spread to collaboration outside of Rome, with IFAD being hosted by FAO in many country offices. Next steps on the procurement front include consultations with legal divisions with the aim to set up common terms and conditions for contracts and joint procurement review committees.

34.   On travel, the Rome-based organizations negotiated corporate fares, aligned travel policies, and developed a hotel programme currently in 25 cities which negotiates favourable rates with hotels in high volume travel destinations. Staff members are then required to stay at these hotels that are paid for directly by the organization, leaving only the non-accommodation part of DSA to be disbursed to the staff member. The potential for savings differs significantly from location to location, but is nevertheless considerable.

35.   In the case presented, collaboration started with procurement as the catalyst but spread across different areas and was becoming a part of the working culture in all three organizations and has strong support from the heads of the three Rome based agencies.

36.   The second topic was IFAD's reward and recognition programme. The Committee was briefed on how the system has been designed to ensure that the performance appraisal system is trusted by staff, on how the organization interacted with the ICSC and how funds were allocated.

37.   To address the key component of the approach, trust in the performance appraisal system, the organization hired a consultancy firm to design the system and benchmark performance. Furthermore, IFAD worked closely with the staff association on how to implement the programme. Concerns regarded the ability of managers to use the appraisal system in a consistent and fair way. This was seen as a key issue for the success of the programme. Therefore, a series of trainings were conducted to ensure that managers would apply the same standards and that the system would be used properly. Furthermore, the information flow to staff was seen as critical and a series of briefings were held to ensure that all staff members were aware of the programme and of what it would entail.

38.   To ensure that the programme was in line with international civil service standards, IFAD worked closely with the ICSC at the design stage. This consultation was very positive and the organization received significant support from the Commission, which judged the programme to be in line with ICSC guidelines.

39.   In terms of funding, IFAD was successful in getting support from its Executive Board to commit resources up front. This enabled the organization to create a recurring budget allocation for the programme. This also required an update to the organization's ERP system. The reward programme will be available to all regular staff and is subject to availability of funds. The system has two tiers, the 2% of staff that score in the top tier of a five point scale and the 10-13% that scores in the second tier of the scale are eligible for rewards. The lump sum for the top scorers is higher than for those in the second highest tier, and ICSC guidance will be used. The award is in cash and is not pensionable. Non-monetary awards such as an additional three days of leave or priority in being selected for Country Office assignments are possible.

40.   The third presentation was on WFPs "Connect System". The system focuses on rationalizing communications and reducing the related, considerable expenses. In 2010, WFP started to migrate towards a Unified Communications Platform, called "Connect" that was designed to improve the way workforce communicates and collaborates. The organization set out to give every single staff member, regardless of their

location, a much improved email platform, a best of breed instant messenger client, a robust online collaborative space and a global calendaring system.

41.   WFP now has over 10,000 staff in close to 400 locations using the tools. Using the system, during an average day, WFP staff receive close to 300,000 emails, launch 12,000 chat sessions and join 100 virtual conferences.

42.   In addition to the intangible benefits this technology delivers, such as increased knowledge transfer and a feeling of being connected to the rest of the organization (especially important in the deep field), the efficiency gains are evident. WFP moved away from a decentralized technology that required the organization to procure, operate and support servers in each country, to a "cloud" based infrastructure, which is now infinitely easier to manage. The organization estimates the yearly savings to be at over $3M/Year.

43.   Virtual conferences and instant messaging, using Connect, are on the rise in the organization and 400 hours of meetings are happening every month and a quarter million instant messaging sessions are launched monthly. WFP estimates that the introduction of these new technologies is allowing its workforce to be more productive and is saving, on average, about 5 minutes per staff member per day looking up contacts and reaching colleagues alone. This means that, on a daily basis, WFP gains an extra 100 days of labour.

44.   Furthermore, these meetings happening online do not require a room, extra electricity, a costly phone line or, someone to travel. As a result, it is estimated that the new technology is saving WFP about 10% of mission travel cost to the organization (about $2.6 M/ year).

45.   Now that WFP is on board with this cloud-based technology, it will also be able to upgrade more easily and take advantage of the decreasing costs of bandwidth and storage. The upgrade of its old system took a year. The new one can be upgraded in just under a month. Although costly, WFP expects the project to have a positive return on investment within 3 years.

46.   The final presentation was on UN Women's application of the UN Secretariat developed PaperSmart meetings and focused on the discussions with the member States regarding the change away from the use of paper.

47.   The PaperSmart initiative was used by UN Women for Executive Board meetings and entailed moving away from the use of paper for board documents and making them all available on line. The initiative has been applied by the UN and many Funds and Programmes and uses a dedicated portal for the Board sessions, where all documents are uploaded. These can then be accessed with any digital device. All documents are available four weeks prior to the session.

48.   UN Women did not find it difficult to convince Executive Board members to change to the system. In order to communicate the change, briefing sessions prior to the Board meeting were held to inform member States of the change and how it worked. The key to the success appeared to be that all Board members had their own digital devices already, all of which are supported by the platform.

49.   The Committee appreciated hearing about these initiatives and several organizations shared experiences with similar projects. UNOPS reported on the implementation of a rewards scheme for several years and on how they had overcome any distrust issues and had been able to ensure timely completion of performance appraisals through making it mandatory to complete it on time for staff to be eligible for awards. IFAD also noted the importance of on-line systems to make it easier to implement and monitor. Timely completion of appraisals by staff was a concern raised by many members. UNAIDS shared its experience with a self-booking tool for travel which had already yielded savings.

50.   The Committee appreciated that the ICSC had been an enabling partner to IFAD and UNOPS and this was considered important as other organizations develop performance rewarding schemes. In this respect and in relation to many of the initiatives presented, the HLCM Vice-Chair noted that obstacles are frequently not in inflexible rules and regulations, but rather in organizations' policies and procedures, as the joint high-level mission to Delivering as One countries had clearly reported.

➢   HLCM:

51.   Took note of the report on actions undertaken by the UN system on efficiency and cost control measures;

52.   Encouraged organizations to replicate as many of the initiatives reported as possible, where they fit with their operational model;

53.   Requested organizations to report on implementation of additional initiatives again at the HLCM Spring 2014 session.

IV.   Data-Driven Decision-making at the UN

📃 **Documentation:**
   ✓ Presentation by Mr. Adam Bly, Founder & CEO, Seed, Inc. and Visualizing.org

54.   Of the many initiatives emerging from the January 2013 HLCM retreat, the Committee agreed to include as a priority the improvement of the UN system's capacity and ability to present UN system data, including improving the system's capacity to implement standards for data presentation. In addition, the Committee agreed, as part of its improvement of its working methods, to invite experts to address specific priority areas. The Committee, therefore, welcomed Mr Adam Bly, a noted specialist in working with public and private sector institutions to analyse data in new and unique ways, and the CEO and founder of Seed, Inc. and Visualizing.org.

55.   Thanking the Chair, Mr Bly acknowledged the challenges facing UN organizations as they work to modernize and change, and hoped that his presentation would point towards a foundation for making change easier. He stressed that what he had to present was not a single event, but a fundamental transformation in the way organizations think of data, and the skills needed to manage data, asserting that the ability to perform these tasks effectively will define successful organizations, including governments, NGO's and the private sector. He noted that in some regards, the UN is already leading in the data revolution, if not in a concerted way across the system. The presentation aimed to take the Committee through the process of innovating with data and how data can be the foundation for innovation.

56.   Mr Bly noted that we live in an era of complexity, and that to look at the world without complexity missed the key point. For example, he noted that to understand health requires an understanding of the interrelationship between disease and such factors as, say, climate models, which in turn requires an analysis of energy composition, which in turn, drives greenhouse gas emissions. These, in turn, can be impacted by education and population dynamics, which circles back to disease. He followed this by introducing two other aspects of the global environment: the velocity, or rate of change, and austerity, i.e. the financial pressures on institutions.

57.   All three aspects – complexity plus velocity plus austerity – define the era of "big data". To provide some perspective on the "big" in "big data", Mr Bly noted that 2.5 quintillion bytes of data are created every day, with 90% of data in the world today created in the last two years. This volume of data presents three opportunities for institutions – smarter decision-making, a new language for collaboration and new knowledge and innovations. Any innovation can take time to become integrated into organizations and effect management

culture changes. We are at the point where the innovation, the ability to manage large amounts of data, is happening and we can only speculate on the ultimate impact this will have on organizations. The presentation noted that big data was not a "technology" revolution, but that the fundamental tools are mathematics, science and design.

58.   Thinking about data begins with a needs-analysis, focusing on the decisions facing each of us that could benefit from an evidence-based approach. Mr Bly introduced the concept of a data continuum, where on one end of the spectrum reside activities and actions that are easily measureable and the un-measurable occupying the other end. In between, the seemingly un-measureable present enterprises with opportunities to test and experiment with measuring different aspects of an organization's activities. He suggested that practitioners start by assuming that the data can assist in decision-making, and then test those assumptions utilizing the tools available.

59.   However, implementing a data-driven decision-making approach assumes that an organization has the appropriate data available. Data available to organizations generally fall into four categories, with each category presenting opportunities and challenges. Proprietary data, the first category, represents data that each organization collects, defines and houses. Often, institutions, as they grow, begin to lose track of the data resident in their systems. Organizations can also purchase data, the second category. Frequently, data purchased is structured differently from in-house repositories, and therefore can present challenges when trying to integrate in a unified way.

60.   The third category, data exhaust, is data generated through other activities. An example is data generated through the use of social media and mobile communications, such as actions on services like Facebook or Twitter. These actions serve as proxies for other behaviours, and although using this data can present privacy concerns, these data streams can offer exciting possibilities for understanding population activities. The forth and finally category is open data, which is freely available to anyone and generally originates from governments and organizations like the United Nations. A key challenge for the UN and its organizations that make data available is to increase the usage of these data sets. Mr Bly suggested that simply making the data available is not enough to ensure its effective use, and that developing tools that provide analysis could increase its value.

61.   Creating a data-driven environment starts with a complete understanding of the data available within the institution. Institutions must first inventory and characterize existing data, which includes its format, structure, taxonomy, frequency of updating and location (i.e. where it is stored and who has access). Furthermore, institutions will need to understand the relationship between this data and activities, an exercise known as "mapping" the data. Mr Bly stressed that these activities are business-related, and not solely an ICT function.

62.   Only after an organization has inventoried and mapped its data can it begin the process of extracting value, which is achieved through a process of analysis using a variety of mathematics and science processes (e.g. correlation analysis, natural language processing, complex systems science, algorithm design, anomaly detection, et al). Visualization tools, which utilize a design-first approach, presents aggregated data in graphic form, allows for the detection of patterns and trends not otherwise easily recognized. The presentation demonstrated both analytical and visualization approaches using examples from the Rio+20 Conference, the MyWorld project (data.myworld2015.org) and the private sector. These examples demonstrated how visualizations can assist in solving a variety of business problems.

63.   Finally, the presentation noted that beyond analysis of internal business analysis, the analytics and visualization methods described could also be applied to communicating with a specific audience. Mr Bly concluded by emphasising that almost all enterprises, including agencies of the UN system, could benefit from a data-driven business decision-making process.

64.   During the discussion, members of the Committee explored several aspects of the presentation. One comment noted that agencies face a challenge as they depend on governments for data of all types, which does not prove very reliable. Questions included mechanisms used to gather data from populations that do not have

access to modern communication technology, the profile of staff needed to effectively employ advanced data analytics and visualization techniques, risks that agencies may face as they make data publicly available and ways that agencies can avoid the institutional pitfalls of managing large data repositories, including data silos that develop within organizations. Mr Bly noted the challenges in collecting data from populations that are unconnected, but that some projects, such as MyWorld, are having some limited success with manual data collection methodologies. Regarding the skills needed by organizations, Mr Bly suggested that UN organizations may consider developing capacity in the mathematics and science disciplines needed for these types of analysis. He encouraged agencies to begin the process of inventory and mapping of internal data sets, stressing the importance of a uniform taxonomy so that the same terms are used to describe the same things across agencies.

65.   Mr Bly accepted that risks exist for the presentation of data, however there can also be many benefits. He suggested that agencies work towards involving the public in data analysis, especially in the generation of hypothesis that can, in turn, be tested utilizing the analytical tools presented. Risks can also be mitigated by ensuring the data is presented along with any appropriate caveats. He also suggested that agencies work together when collecting data, and not duplicate field data collection activities. Overcoming silos can also present challenges. Senior-level encouragement to bring datasets together is one place to start, with the goal to make the right data available to the right people at the right time.

66.   The HLCM Chair concluded the session by thanking Mr Bly for his enlightening presentation, noting that all of these tools are increasingly fundamental to organizations of the UN system, which must explore how to employ these capabilities. The Chair suggested that a first step should be the adoption by agencies of open data policies, followed by a concerted effort to begin an inventory and mapping process, followed by the development of taxonomies, so that the system understands the data it has available.

67.   Organizations acknowledged the challenges in embarking on a project of this nature, but agreed on the importance of doing so, further recognizing its linkage to the High-Level Committee on Programmes and that some efforts in this area are already likely in progress through entities such as, *inter alia*, the UN Statistics Division of the UN Secretariat, which makes data available through its data.un.org website and the UN Geographical Information Working Group (UNGIWG).

➢   HLCM:

68.   Agreed to create a working group that would explore this area further and propose common action as part of its Strategic Plan, with respect to open data policies, inventory and mapping of data, and development of taxonomies.

V.   Environmental Sustainability Management in the UN System

📑 **Documentation:**
   ✓   CEB/2013/HLCM/5 – The Business Case for Environmental Management Systems in the UN Organizations

69.   In September 2012, UNEP in its capacity as Chair of the UN Environment Management Group drew the Committee's attention to the Strategic Plan for Environmental Sustainability Management in the UN system, a key element of the wider Framework for Environmental and Social Sustainability in the UN system.

70.   The HLCM Chair stressed that the case for the Environmental Sustainability Management in the UN system is very strong, stemming directly from a request from member States in the Rio+20 outcome document, endorsed by the General Assembly in A/Res/66/288 and in A/Res/67/226.

71. The Strategic Plan for Environmental Sustainability Management represents an evolution of the existing UN system wide climate neutral efforts and provides a model for the systematic integration of environmental sustainability indicators into the internal management of UN entities.

72. Document CEB/2013/HLCM/5 presented HLCM with:

    a. A description of the concept of Environmental Management System (EMS) for UN organisations;
    b. An articulated cost benefit analysis of the measures proposed; and
    c. UN best practices in the field of environmental sustainability.

73. UNEP's presentation built a strong case for Environmental and Social Sustainability in the UN system. Using available data, the document concluded that systematically managing environmental impacts through an EMS could help the UN system reduce operating costs by US$ 250-335 million per year through improved efficiency of utilities, fuel, travel and some office-related procurement, which collectively cost the UN system an estimated US$ 2.7 billion in 2010. Significant further savings could be available, as no data is available for other high-risk and potentially high-cost activities, including waste and wastewater management, construction and vehicle procurement/maintenance.

74. The one-off costs of implementing EMS, which would identify and prioritize improvement actions, could be spread over several years, with each agency working at its own pace. The estimated UN-wide investment required is US$ 23 to 40 Million. Such costs can be contained through UN-wide collaboration on EMS, as advocated by the 'Strategic Plan for Environmental Sustainability Management in the UN System', by avoiding duplicate research, seeking efficiencies of scale when outside expertise is required and promoting collaboration in addressing common issues at a single location. Small agencies would particularly benefit from a shared-resource approach.

75. Since 1996, more than 250,000 public and private sector organizations in 150 countries have achieved EMS certification, most commonly to the international standard ISO 14001. International organizations that have already implemented EMS include the European Commission (42 certified buildings), the EU Parliament and the Asian Development Bank. Within the UN system, UNU and the publishing services of the UN Secretariat have already obtained ISO14001 certification, while WFP and the World Bank Group have committed to developing an EMS consistent with accepted standards.

76. Members of the HLCM expressed broad support for the EMS, recognizing its value and importance. Many examples of EMS practices already implemented by organizations were shared. Members nevertheless highlighted the financial implications that the implementation of Environmental and Social Sustainability practices have in their organizations, particularly in times of budget constraints and especially in the absence of a capital budget.

77. HLCM members therefore suggested that focus should be placed on activities that can show returns in a short time horizon, e.g. 24 months, and require low initial investments. Areas like facilities management, conference services, fuel purchase and transportation should be explored and a close link with the Procurement Network should be established, although it was recognized that the ISO14001 certification is broader than procurement.

78. The Committee noted that there should be close collaboration with HLCP on this matter as the most significant environmental footprint derives from the delivery of programmes. The need for close collaboration among networks, particularly the ICT and the Procurement Network, was also stressed.

79. It was suggested that the existing network of focal points for environmental sustainability management be responsible for representing the EMS work of each organization, continue to interact with UNEP through the

EMG, and report directly to HLCM by the same means, thereby keeping the knowledge and experience sharing open, as well as mitigating the risk of partitioning the activities across networks.

80.   It was further highlighted that support from member States hinges on the presentation of concrete proposals and standards for a UN System wide approach, which would facilitate buy-in.

➤   HLCM:

81.   Committed to the development and implementation of environmental sustainability management systems in each organization, through a gradual, voluntary and flexible process as described in the 'Strategic plan for environmental sustainability management in the UN system', focusing on low-investment and high-return initiatives, and through mainstreaming of EMS in the programming and planning processes and increased coordination on this subject among the relevant HLCM networks. As part of the EMS approach, HLCM should focus on making the concept of total cost of ownership fully integrated into procurement rules and practices.

82.   Requested UNEP to continue their work of coordination, technical support and reporting, noting the system-wide benefits of efficiencies, knowledge and experience sharing, and mutual support, and invited UNEP to report to the HLCM on collective achievements and forward planning on behalf of the EMG.

VI.   Any other business

A) Auditing as One / Joint Delivering as One Audit

83.   Recognizing the need for joint audits, since 2007, the network of UN internal audit services (UN-RIAS) developed and implemented several frameworks for joint internal audits (Multi-Donor Trust Funds, Joint programming, HACT and Delivering as One programmes).

84.   The framework for joint internal audits of Delivering as One is the most integrated one, with a joint team composed of auditors from various participating organizations, focusing on all components of Delivering as One: One Programme, One Fund, One Leader, One Office and One Voice; and a single audit report issued to the Chair of the UN Country Team and the Chair of the UN Development Group.

85.   A pilot joint audit of the Delivering as One programme in Tanzania was conducted in February 2012 (with a report issued in November 2012). The lessons learned were discussed at the UN-RIAS meeting in September 2012 and another two Delivering as One audits are planned for 2013.

86.   The experience so far has proved to be very valuable to audit areas that cannot be addressed through audits by individual internal audit services, such as the governance of the UN Country Team (UNCT), joint programming, and harmonization of processes. The audit field work has been/is planned to be undertaken by joint teams of internal audit services staff.   All audit services participate as members of the team through a steering committee which oversees the audit from planning through reporting. However as the team deployed in the field cannot practically include auditors representing all participating agencies, some of the work must be delegated by some internal services to auditors of other agencies.

87.   UN-RIAS called for collaboration of the HLCM on ensuring meaningful scope of the joint audit exercises and efficient implementation of field visits by small audit teams acting on behalf of all participating internal audit services, and in promoting communication on the joint audit concept with UN Country Teams.

➢   HLCM:

88.   Took note with appreciation of the briefing on joint internal audits and welcomed the offer by UN-RIAS to provide its professional support to the implementation of the relevant areas of the HLCM Strategic Plan, as well as its commitment to further consider enhancing its joint audit approach for Delivering as One programmes, for Multi-Donor Trust Funds and joint programmes.

B) Programme Criticality Framework

📑 **Documentation:**
    ✓ CEB/2013/HLCM/7

89.   The Programme Criticality Framework was developed through extensive consultation at headquarters and field levels, including field-testing in Somalia, Kenya and Democratic Republic of Congo, and approved by HLCM and CEB in 2011, for use in determining the criticality level for specific activities within a given geographic location and timeframe. This Programme Criticality level determination would then be used in the Acceptable Risk Model to ensure that UN personnel do not take unnecessary risk and that those who remain in-country work on highest priority activities in accordance with UN strategic results. The Framework also allows country-level programme managers to design programmes and activities to be within predictable, known acceptable risks.

90.   Upon approving the UN System Programme Criticality Framework in September 2011, the HLCM asked that it be rolled out in at least 12 priority countries (between January 2012 and April 2013) and that a consolidated progress report (with lessons learned and recommended adjustments) be made to the HLCM at its spring 2013 session. The CEB endorsed the HLCM recommendations at its October 2011 session.

91.   Consequently, a guided roll-out of Programme criticality has been undertaken between January 2012 and January 2013 in Afghanistan, Sudan, Mali, Mauritania, Yemen and Syria. The technical support given to these assessments were overseen by the Programme Criticality Working Group (PCWG) which is chaired by UNICEF. A letter, which emphasizes the importance of Programme criticality as a concept that supports the UN system's efforts to 'stay and deliver' in high risk areas, was sent to field presences in 27 countries. The letter was co-signed by the UNDG Chair, the Emergency Relief Coordinator, and the USGs for DSS, DPKO, DFS and DPA, and transmitted on 29 of January 2013. Additionally, based on the experience and feedback from this guided roll-out, the Programme Criticality Framework has been revised and is submitted for approval by the HLCM.

92.   In line with the new working modalities for the HLCM, comments on and approval of the revised Programme Criticality Framework would be provided electronically to the CEB Secretariat by the end of March 2013. If needed, the CEB Secretariat would proceed to a second and final iteration, for final approval.

➢   HLCM (*decisions to be finalized following an electronic review by the Committee to be completed by the end of March 2013*):

93.   Approves the revised Programme Criticality Framework, including the establishment of a Programme Criticality Steering Committee (PCSC);

94.   Approves a continued guided roll-out of the PC framework, under current arrangements, in priority countries up until June 2014, at which time the need for an independent assessment of PC should be determined;

95.   Tasks the PCSC to recommend a longer term institutional solution for the coordination of PC and providing technical support to the field by June 2014 latest.

C) Dates and Venue for the next HLCM Session

96.   The Committee agreed to have its 26th session on 10 and 11 October 2013. The venue will be decided and communicated shortly. HLCM also indicated its agreement in principle to organizing a joint session with HLCP, with and agenda tentatively revolving around the following subjects: cyber-security, big data, sustainability management, and implementation of the QCPR.

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ANNEX I

LIST OF PARTICIPANTS

Chair: **Mr. Francis Gurry, WIPO**
Vice-Chair: **Ms. Jan Beagle, UNAIDS**
Secretary: **Mr. Remo Lalli, CEB Secretariat**

Organization	Name – Title – Division
United Nations	**Ms. Catherine Pollard**, ASG, Office of Human Resources Management / HR Network Co-Chair
	Ms. Gina Casar, ASG and Controller
	Ms. Mbaranga Gasarabwe, ASG, Department of Safety and Security
	Mr. Anthony Banbury, ASG, Department of Field Support
	Ms. Antigoni Axenidou, Director, General Legal Division
	Mr. Fernando Hugo Blasco, Director, Office of the Chef de Cabinet
	Mr. Dmitri Dovgopoly, Director Procurement Division
ILO	**Mr. Greg Vines,** Deputy Executive Director
FAO	**Mr. Denis Aitken,** Assistant Director-General a.i., Corporate Services, HR and Finance Department
	Ms. Theresa Panuccio, Director, Administrative Services Division, Corporate Services, HR and Finance Department
	Mr. John Fitzsimon, Inspector-General, UN-RIAS Representative
	Mr. Florentin Albu, Chief Information Officer and Director, Information Technology Division
UNESCO	**Mr. Getachew Engida**, Deputy Director General
ICAO	**Ms. Fang Liu**, Director, Bureau of Administration and Services
WHO	**Mr. Mohamed Jama**, ADG, General Management
	Ms. Hanne Raatikainen, Management Officer
UPU	**Mr. Pascal Clivaz**, Deputy Director General
PAHO	**Mr Guillermo Birmingham**, Head of Administration
ITU	**Mr. Hamadoun Touré,** Secretary-General
	Ms. Julia S. Watt, Chief, Human Resources Management Department
	Mr. Anders Norsker, Chief, Information Services Department
	Mr. Plesse Dietmar, Head Procurement Division and Procurement Network Representative
WMO	**Mr. Joachim Müller**, Director, Resource Management Department
IMO	**Mr. Jo Espinoza-Ferrey**, Director, Administrative Division

Organization	Name – Title – Division
WIPO	**Mr. Francis Gurry**, Director General / HLCM Chair
	Mr. Ambi Sundaram, ADG, Administration and Management
	Ms. Chitra Narayanaswamy, Director, Resource Planning, Program Mgt. & Performance Division
IFAD	**Ms. Lakshmi Menon**, Associate Vice-President, Corporate Services Department
	Mr. Iain Kellet, Associate Vice-President, Financial Operations Department
UNIDO	**Mr. Akmel P. Akpa**, Managing Director a.i, Programme Support and General Management Division
	Mr. Giorgios Anestis, Director, Operational Support Services Branch, Programme Support & General Management Division
UNWTO	**Mr. José G. Blanch**, Director, Administration and Finance
UNAIDS	**Ms. Jan Beagle**, Deputy Executive Director / HLCM Vice-Chair
UNDP	**Mr. Jens Wandel,** ASG, Assistant Administrator and Director, Bureau of Management / Co-Chair of the UNDG Joint Funding & Business Operations Network
UNICEF	**Mr. Martin Mogwanja**, Deputy Executive Director
WFP	**Mr. Manoj Juneja,** Assistant Executive Director, Resource Management & Accountability and Chief Financial Officer
	Mr. Robert Opp, Director, Business Innovation & Support, Department of Resource Management & Accountability
	Mr. Jakob Kern, Chief Information Officer, Information Technology Division
	Mr. Jacob Stefanik, Sr. Business Analyst, Business Innovation & Support, Department of Resource Management & Accountability
UNFPA	**Mr. Subhash K. Gupta**, Director, Division for Management Services
UNRWA	**Ms. Laura Londen**, Director, Department of Human Resources
UNHCR	**Mr. T. Alexander Aleinikoff**, Deputy High Commissioner
	Ms. Karen Farkas, Director, Division of HR Management
UNOV/UNODC	**Mr. Dennis Thatchaichawalit,** Director, Division for Management, UNOV and UNODC
UNEP	**Mr. Christophe Bouvier**, Chief, Office for Operations
UNOPS	**Mr. Vitaly Vanshelboim**, Deputy Executive Director
ITC	**Ms. Eva K. Murray**, Director, Division of Programme Support
UNWOMEN	**Ms. Giovanie Biha**, Director, Division of Management & Administration
UN-HABITAT	**Ms. Jane Nyakairu**, Officer-in-Charge, Division of Management
UNSSC	**Mr. Jafar Javan**, Director
IOM	**Ms. Laura Thompson**, Deputy Director-General
WTO	**Ms. Mira Bacelj**, Director, Human Resources Division

Organization	Name – Title – Division
CTBTO	**Ms Frances Boyle**, Director of Administration
ICC	**Mr. Ivan Alippi**, Director, Common Administrative Services Division
CEB	**Mr. Thomas Stelzer**, CEB Secretary & ASG for Policy Coordination & Inter-Agency Affairs, UN-DESA
CEB Secretariat	**Ms. Simona Petrova**, Director
	Mr. David Waller, Resource Person
	Mr. Remo Lalli, Secretary, High Level Committee on Management
	Ms. Phyllis Lee, Secretary, High Level Committee on Programmes
	Mr. Ken Herman, Senior Advisor on Information Management Policy Coordination
	Mr. Ronny Lindstrom, Senior Business Practices Adviser
	Ms. Natalia Toschi, Inter-Agency Adviser, Finance and Budget Network
Seed	**Mr. Adam Bly**, Founder & CEO
FICSA	**Mr. Mauro Pace**, President
CCISUA	**Mr. Chris Land-Kazlauskas**, Chairperson, Staff Union Committee of ILO
	Mr. George Aelion
UNISERV	**Mr. Dimitri Samaras**, President

ANNEX II

CHECKLIST OF DOCUMENTS

Title	Document Symbol
Provisional Agenda	CEB/2013/HLCM/1
Provisional Programme of Work	CEB/2013/HLCM/1/Add.1
HLCM Draft Strategic Plan and Working Modalities	CEB/2013/HLCM/2
Results Framework with agreed deliverables, accountabilities & timelines	CEB/2013/HLCM/2/Add.1
Note by the HR Network on the Review of the Common System Compensation Package	CEB/2013/HLCM/3
Review of the Common System Compensation Package (Note by the ICSC Secretariat)	ICSC/76/R.3 (for reference)
Actions undertaken by the UN System on Efficiency and Cost Control Measures	CEB/2013/HLCM/4/Rev.2
The Business Case for Environmental Management Systems in the UN Organizations	CEB/2013/HLCM/5
Programme Criticality Framework (revised version)	CEB/2013/HLCM/7

ANNEX IV

JOINT STATEMENT BY FICSA AND CCISUA

Members of the HLCM, colleagues

Increasingly, in recent years the participation of staff federations in the work of this Committee has been adjusted and redesigned with the aim of improving the effectiveness of our consultation. As you know, we openly declared three years ago that the original arrangement for dialogue, whereby we were called in this meeting to deliver a statement under the relevant agenda item and then invited to leave the room, was not satisfactory.

Since then, new formulas were put in place and we are glad to note, that according to the revised HLCM's method of work presented at this session *"the dialogue with the Staff Federations will not be a stand-alone item on the agenda. The Federations would, instead, contribute their views in the course of the discussion of those thematic agenda items in which they are invited to participate as observers. Federations' statements will continue to be incorporated as annexes in the HLCM's meeting report"*. From one hand, we shall continue trying to make the best use of time for effective participation; on the other hand, we know that this participation will not be sufficient if the role of consultation with staff representatives is not contextualized and allowed to develop in more inclusive consultative fora. In this respect, it is our opinion that more detailed modalities need to be developed for the future, in order to allow for advance contribution to discussions on items of system-wide nature.

The recent experience with the preparation of the retreat in Turin could be used as an example of a substantial misunderstanding on the nature of our interaction. The reaction of the three staff federations to the absence of preparatory consultation is a proof of the importance we attach to having a continuous channel of communication with senior management, particularly on major reform projects, such as those announced in the Strategic Plan 2013-2016. Therefore, we thank the Chair for having reconfirmed the commitment of the Committee to an inclusive approach.

HLCM is not the only body currently is looking at ways to *"enhance the relevance, coherence, effectiveness, efficiency, accountability and credibility of the United Nations system"*.

The 76th session of the ICSC, still meeting in New York, has put a considerable effort in the initial debate on the review of the compensation package. The results of the initial brainstorming sessions in the ICSC highlighted similarities, expectations and considerable divergence of opinions, for the time being at the very initial conceptual stage. There is no doubt that the challenge ahead is probably of unprecedented scope and inclusiveness is key to a fruitful outcome.

Today, an overwhelming number of questions related to the compensation review have no answer.

We are aware that in these momentous times the importance of guiding principles, such as those stemming from articles 100 and 101 of the UN Charter, the major pillars of independence, competence and integrity, is vital. In this context, CCISUA and FICSA look at the forthcoming discussions as an opportunity to redress misperceptions about UN staff conditions of employment, re-focussing on the rationale behind the need to adequately compensate for a service that is by nature unique and challenging.

Discussions on our conditions of employment need should never be de-linked from consideration for peculiar features of the service for the UN.

Let's take the example of the mobility. Member States, organizations and staff are deeply interested in the debate around mobility and support the idea that a global organization should be able to deploy staff where staff is needed. It is consequent to ask ourselves what would be a fair price to be paid for mobility. A fair cost, however, is not only a budget entity. In knowledge organizations it implies men, women and families behind them. Hence, fairness should be rooted in the wider framework of best practices and labour standards.

The HLCM strategic paper contains several questions that need participatory answers.

What are the characteristics of an international civil service best able to function in the new environment? What is the ideal balance between younger and more mature staff, between generalists and specialists, and between internal and external sources of talent and expertise? Which and what percentage of positions should offer career potential?   What and how many types of employment contracts should be utilized?

Sure, we are interested in an international civil service able to function in the new environment. Precisely for this reason that we are continuously calling the attention of all competent organs on the excessive use of non-staff contracts, a priority issue on which we requested to UNSG to take urgent measures. We are convinced that this practice is undermining the core independence of the common system and will soon become non-sustainable.

Sure, we think that the balance between new generations of staff should be found through a sensible management of succession planning. The mandatory age of separation, if appropriately adjusted, would discourage the abused practice of extensive re-hiring of retirees.

Sure, we value internal sources of talent that can be further improved and enhanced through training, mobility and cross-fertilization of experiences. They should not be placed in competition with external sources but complement each other in the framework of a balanced approach to human resource management.

Career potential should be offered only to all and we pursue a system which could provide equal opportunities to all staff.

What are the limits of "flexibility" in a renewed managerial culture? How can we ensure that in adapting to circumstances we don't encourage arbitrary decisions and injustice and favouritism?

These doubts are no excuse for inaction. However, the call for a truly participatory effort, for a renewed culture of consultation that will reset the focus between human and financial resources, should be recognized and respected by all.

Staff is an asset, and a very valuable one. A new era of partnership can be built around the challenges we are facing today and we look at the outcome of this session of the HLCM as a fundamental opportunity.

Review of the Common System Compensation Package (CEB/2013/HLCM/3)

On behalf of both CCISUA and FICSA, and the staff we represent, let me begin by suggesting something that may come as a bit of a surprise to you: Our Federations recognize both the need for, as well as the potential benefits coming from change. We are not here to argue for the status quo for the sake of maintaining the status quo. However, we also want to make sure that we are not pushing change for the sake of change.

Nor are we content to sit back and let change happen to our members. Indeed both CCISUA and FICSA remain committed to be active partners – full partners – in this critical review of the common system compensation package.

What do we mean by full partners? For us this means working hand-in-hand with our Administrations, and with the ICSC, to identify where there are problems, and working together to formulate constructive solutions; solutions which, Madame Chair, must respect the fundamental principles underpinning the international civil service – its security, its integrity and its independence – beginning with the U.N. Charter.

One of the underlying concepts of social dialogue – of positive staff-management relations – is that of *inclusion*. In other words, if you include the representatives of the staff in constructing solutions, you are much more likely to produce better results. Not only will you produce better results, but policies formulated together with our Federations are more likely to be accepted by our members – who are, in the end, your staff. In such a case, our member unions and associations will become partners in introducing the change, to the benefit of the staff, the Organizations, and the common system itself.

If, on the other hand, we are placed before a *fait accompli*, our reaction will necessarily be quite different. But we are here – as was mentioned in the opening statement – to engage responsibly, and constructively.

Madame Chair, allow me to turn to the content of the matter before the Committee: First, we must point to the inherent difficulties in putting unrelated concepts together. Here I am speaking about the references to "linkages to all of the salaries and allowances which provide for differentiated dependency / single rates [which] may be examined under the concept "equal pay for equal work". Here I need to remove my CCISUA cap, and perhaps even my ILO Staff Union cap, and for the first time in years I would like to address these two issues as a staff member of the ILO. As you all know, our Organization adopts, and supervises International Labour Standards. It so happens that we have standards which touch both of the issues raised in Paragraph 9 of the paper.

However, as far as I am aware, these are distinct issues – related to social protection, workers with family responsibilities, and non-discrimination (which, it should be pointed out that the correct terminology speaks to "equal pay for work of equal value). The ILO standards don't mix these issues as it seems some might wish to do. I would urge the Committee – to remain faithful to the principles enshrined in these standards – to keep these separate issues separate. Dependency status and the benefits which accrue to staff with dependents is a function of the *social security* schemes – often through either cash benefits or tax incentives, which was at the origin of the dependency rate. This is of particular concern for a mobile, international workforce where, in many cases, the trailing spouse cannot legally work in the duty station.

While we can look at fairer mechanisms to establish dependency / family status, or to look at other means of providing similar family benefits, we stress that this **must not** be confused with the principle of equal pay for work of equal value.

While we appreciate the wish of the HR Network, and the Administrations to streamline processes and simplify benefits – we agree that staff should be able to readily understand their pay slip – we must insist that the principles of fairness and equity come first. We have seen the proposal that equity be balanced against simplicity, but we firmly believe that the system must deliver equity and fairness *before* questions of simplicity arise, in order to avoid unintended consequences, or impacts that work against the overarching objectives.

One of my first experiences with the ICSC was when the Organizations themselves asked to revise the Education Grant methodology, precisely with a view to simplification. In the end, we found that the result led to serious anomalies such that it was clear staff would have begun selecting duty stations based on their out-of-pocket costs for education, frustrating the organizations' efforts to promote mobility. We wish to voice our concern with the references throughout the documents to such things as lump sums, streamlining and transactional costs, and would respectfully request that the HR Network consider incorporating these into their own "guiding principles".

With respect to the comparator, we should not only look at the private sector and the US Federal Civil Service. We need to insist that the review take into account organizations which have similar profiles, and with whom we compete for staff. These would include the World Bank, IMF, OECD, the Coordinated Organizations, and as the UN system moves more toward a rotation system, we must consider the most competitive Foreign Services.

We note from the paper that there will be a Working Group established to follow this question, and in the spirit of partnership, and to ensure full buy-in throughout the process, we would ask that the Federations be fully involved in the process. To this end, we would ask you to consider amending your point for decision, with a view to facilitating this process.

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