



# Chief Executives Board for Coordination

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## Conclusions of the High-level Committee on Management at its twenty-second session (Washington, D.C., 26 and 27 September 2011)

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## I. Introduction

1. The High-level Committee on Management held its twenty-second session on 26 and 27 September 2011 in Washington, D.C., hosted by the United Nations Foundation. The meeting was co-chaired by the Executive Director of the World Food Programme (WFP) (Chair) and the Deputy Executive Director of the Joint United Nations Programme on HIV/AIDS (UNAIDS) (Vice-Chair).

2. The Chair thanked the President of the United Nations Foundation for hosting the meeting. She also welcomed the presence of the Chief Executive Officer of the Foundation and the Executive Director and the Director of Public Policy of the Better World Campaign.

3. The hosting of the session by the United Nations Foundation was welcomed with great pleasure by the Committee. As a body with representatives from some 30 organizations and entities within the United Nations system, the tradition of rotating the role of meeting host for sessions of the Committee offers members valuable insights into sister organizations.

4. The Chair commended the Foundation for the work it has done to pioneer a new way of doing business for the United Nations. In partnership with the United Nations, the Foundation has used grants to seed innovation in critical areas and worked with tireless enthusiasm to model and advance the adoption of best business practices, as well as to improve efficiency and effectiveness.

5. After her welcoming remarks, the Chair of the Committee offered some reflections on the current environment in which United Nations system organizations are operating.

6. The demands being placed on the United Nations system are greater now than they have ever been and delivery is expected under increasingly demanding conditions. At the opening of the sixty-sixth session of the General Assembly, the Secretary-General summed up these challenges by outlining five imperatives — five generational opportunities to shape the world of tomorrow by the decisions that are taken today. These include:

- Sustainable development
- Prevention (of conflict and natural disasters)
- Building a safer and more secure world
- Supporting nations and transition
- Working with and for women and young people.

7. The only way the United Nations can meet these challenges is by adapting and becoming more efficient and accountable, with a talented and mobile workforce operating in safe and secure conditions.

8. The Chair was pleased to note that the Committee is at the forefront in addressing all of these issues. The Committee's agenda supports the ongoing need to collectively and efficiently deliver on wide-ranging mandates and thereby invite the confidence of Member States.

9. The President of the United Nations Foundation addressed the Committee, echoing many of the points raised by the Chair. He underlined the importance for

the United Nations, as a political institution, of nurturing and maintaining its constituency. Governments and citizens alike do not always fully understand the scale and the universal nature of the United Nations. Improving this understanding requires greater transparency and raising awareness of what the United Nations system does and how effective it has become. Because the United Nations is not always good at telling its story, the system risks being crowded out by institutions that are better at doing so. In order to address this challenge, the United Nations system and its partners have to consider more direct and emphatic approaches to communication.

10. The conversation with the Foundation continued during a special lunch session on “Strengthening the United Nations and telling the story”. The importance of communicating to the public the work and achievements of the United Nations was a central theme in this debate. In this respect, the work performed by the Committee was deemed fundamental, as much of the criticism of the United Nations is focused on management issues, including transparency, efficiency and best practices. Unless effectively addressed, these criticisms can lead to an erroneous and detrimental image of the organization.

11. In the ensuing discussion, participants noted that there is often little space in mainstream media to positively influence the perceptions of the United Nations. In this respect, the representatives of the Foundation underlined the importance of developing strong communication campaigns and providing representatives with tools to justify their support for the United Nations to their constituents.

12. As the Committee is at the heart of the Secretary General’s efforts to “do more with less” and with many of the Committee’s initiatives supporting that goal, the Foundation recognized an opportunity to successfully communicate positive changes at the United Nations.

13. Methods of communication were also discussed. As recent experiences in Haiti and during the Arab Spring showed, modern media can have a huge impact on the work of the United Nations.

14. The Committee agreed that continued improvement is critical and more effective communication about what is being done to that end is necessary. The Chair concluded the discussion by recognizing that it is natural and just for United Nations organizations to be always under close critical scrutiny. In response, however, the United Nations should aim at always matching or leading best practices for public institutions.

15. The Committee agreed to a proposal by the Chair for the creation of a communications working group to address the issue of how to positively influence perceptions of the United Nations brand, and tasked the secretariat of the United Nations System Chief Executives Board for Coordination (CEB) to start working on arrangements for its establishment and launch.

## **II. Adoption of the agenda**

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

17. The complete list of participants is provided at annex I.

18. The checklist of documents is at annex II. The statement by the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA) is at annex III; the joint statement on the mandatory age of separation by the Federation of International Civil Servants' Associations (FICSA), CCIUSA and the United Nations International Civil Servants' Federation (UNISERV) is at annex III.A; and the statement by FICSA (supported by UNISERV) is at annex IV. All documents related to the session are available on the CEB website at <http://www.unsceb.org/ceb/mtg/hlcm/september-2011/>.

### **III. Dialogue with staff federations**

19. Before the start of the formal session, the Chair and Vice-Chair of the Committee invited the staff federations for an informal welcome breakfast.

20. Following consultations with members of the Committee, the federations had been invited to attend, as observers, the following items of the regular agenda of the Committee: (a) security and safety of staff; (b) programme criticality framework; (c) briefing by the Human Resources Network; and (d) mandatory age of separation.

21. The Committee's dialogue with the staff federations touched on a number of key subjects that were introduced as priorities in the statements delivered by the federation representatives.

22. Staff safety and security remains central to the concerns of the staff federations, particularly as it relates to recent tragic attacks on United Nations personnel, most recently in Abuja; to the new "how to stay" approach; and to the discussion on programme criticality.

23. While acknowledging that the Organization cannot completely guarantee the safety and security of staff members and that a certain level of risk has always been accepted in order to serve the people of the world, the staff federations cannot accept that programmes take precedence over personnel. Staff members should not be expected to work in environments where they frequently face injury or possible death.

24. As the world situation changes and more staff become subject to dangerous assignments and hazardous working conditions, the federations believe that a comprehensive review is needed of the policies affecting staff members (and their families) for injuries and/or death incurred in service.

25. The federations unanimously voiced their appreciation for the action conducted by the United Nations Department of Safety and Security to protect the safety and security of United Nations staff, indicating that the approach adopted to date was very open and receptive to staff concerns.

26. On human resources matters, the federations expressed disappointment at the attitude of the Commissioners during the seventy-third session of the International Civil Service Commission (ICSC), indicating that the Commission was not receptive to suggestions from the organizations or staff representatives regarding issues that should be taken into consideration when making decisions.

27. Two recent surveys on the mandatory age of separation, one carried out by CCISUA/UNISERV and the other by FICSA, gathered the views of around 11,000 staff. Results from both surveys indicate that staff would support an increase in the

mandatory age of retirement. However, this should be done without prejudice to the acquired rights of those who are currently in the system to retire with full benefits at their current mandatory retirement age of 60 or 62. There is a strong call for the decision to work beyond 60 or 62 to be voluntary and decided by the staff member. In continuing to work on this matter, the staff federations expressed the view that the impact of any change in the current provisions would need to be carefully considered before taking any decision.

28. The federations thanked the Committee for the opportunity to address the gathering and to remain for some agenda items. They also indicated their continued commitment to working with the different parts of CEB to foster a better environment for staff. In doing so, they also indicated their strong preference for being in attendance for the entire meeting and having a part in decision-making on all items on the agenda.

29. The Committee thanked the representatives of the three staff federations for their statements and for their continuing spirit of collaboration.

## **IV. Security and safety of staff**

### **A. Briefing by the Under-Secretary-General for Safety and Security**

30. As part of this standing agenda item, the Under-Secretary-General for Safety and Security made a presentation on how tools put in place in the United Nations security management system during 2010 were used in 2011, through all recent crises.

31. A central point of the Under-Secretary-General's presentation was that security has to be an enabler, i.e. allowing United Nations mandates to be carried out while keeping United Nations personnel safe and secure.

32. The report of the Secretary-General on the safety and security of United Nations and associated personnel for 2010 showed an encouraging and significant drop in the number of personnel killed by violence since the previous report for 2009. Although lives of United Nations personnel were lost and many were injured (in natural disasters and aircraft crashes), the drop in the number of lives lost from violence during 2010 demonstrated how smart, active and well-financed security management can bring about better results. Unfortunately, in 2011, with the attacks in Mazar-e-Sharif (Afghanistan) and Abuja, this picture has dramatically deteriorated.

33. To compound the situation, the general sense that humanitarian operations are somewhat shielded from major security concerns has eroded even more over the past two years. Despite this, Member States have repeatedly reaffirmed their expectation for the United Nations to remain present and operate in places plagued with instability and violence. The systems in place, therefore, need to be more agile and swift, which in turn requires significant investment.

34. Experience with the tools put in place in the United Nations security management system over the past two years is encouraging. Examples from Egypt, Libya, the Syrian Arab Republic, Tunisia and Yemen were cited to illustrate how the system is working well to enable programmes while protecting personnel at the

same time. The new security level system, although still needing further refinement, nevertheless serves to provide a better and quicker understanding of threats faced. Further work is being done with the Inter-Agency Security Management Network (IASMN) to upgrade security analysis systems to improve their speed and accuracy. More analysts have been put in the field and at Headquarters and more decision-making has been devolved to designated officials and security management teams. It is for this reason that a greater emphasis has been placed on training for designated officials, security management teams and staff on how to operate within high-risk environments.

35. IASMN was praised for its hard work, as were the staff federations in acknowledgment of the open dialogue and their active participation in the Network.

## **B. Bombing of United Nations offices in Abuja**

36. Together with the Deputy Secretary-General, the Under-Secretary-General for Safety and Security travelled to Abuja within 24 hours of the attack. The response by the critical incident stress counselling unit of the Department of Safety and Security, the medical emergency teams and the security and administrative components of the agencies, funds and programmes was a commendable example of a coordinated and effective system-wide intervention. This was largely due to the availability of greater resources and to lessons learned in the aftermath of earlier attacks in Iraq and Algeria. The Committee was also informed that a board of inquiry on Abuja still needed to be convened, as had been the case for Mazar-e-Sharif.

37. The briefings by the Co-Chair of the Human Resources Network and by the Chair of the Medical Directors Working Group offered some additional evidence of the quality and effectiveness of the concerted response by United Nations system organizations to the attacks. The comprehensive document prepared by the United Nations Development Programme (UNDP) as Chair of the Human Resources Network Standing Committee on Field Duty Stations outlines all measures taken with respect to staff members. Where the existing provisions under human resources policies and insurance plans include compensation for death, injury or illness attributable to the performance of official duties on behalf of the United Nations, no *ex gratia* payments in relation to the bombing in Abuja would apply. However, there may be flexibility for organizations to apply *ex gratia* payments where there is no insurance coverage. Should any organization need to proceed with *ex gratia* payments, another round of system-wide consultations would take place to ensure consistency in the level of compensation across the board. Some open issues remain, particularly with respect to compensation for losses or injuries of “non-staff” personnel. Consultations are, therefore, still ongoing among the legal offices of the various organizations, including the Office of Legal Affairs of the Secretariat, on claims from third parties, to ensure consistency in this and any future cases.

38. The Committee recalled that the United Nations medical emergency response team was originally approved as a concept by the Committee in 2004, while the Medical Directors plan was endorsed in 2009. In Abuja, medical emergency response team procedures were activated immediately after the bombing. Teams from Headquarters and the United Nations Office at Nairobi were mobilized. The first team members were in Abuja by midday on 27 August and the team was

completed by the evening, supplemented by World Health Organization (WHO) medical staff. Assessments, triage and evacuations took place between 27 and 30 August, while the recovery phase continued from 1 to 9 September. Follow-up with victims and medical and financial administration is still ongoing. This response has been recognized as one of the quickest and most coordinated of its kind. During the entire operation, the support provided by Netcare South Africa and International SOS was critical. Overall, the Committee noted with great appreciation the effectiveness of the response provided by the medical emergency response team, as well as the need for its stable and adequate funding. The Committee also noted that, as part of the security management plans in-country and in conjunction with business continuity measures, mass casualty/evacuation training is an important component that needs to be undertaken.

### **C. Inter-Agency Security Management Network issues**

39. The new road safety policy was introduced by the Under-Secretary-General for Safety and Security, who also highlighted some statistics on road accidents: 16 United Nations personnel were killed in road accidents and 147 injured in 2010, as well as 33 non-United Nations personnel killed and 152 injured in accidents involving United Nations vehicles in 30 countries. Compared with the five persons reported as being killed by acts of violence, these figures indicate that addressing road safety is urgent. The new policy would provide one set of safety standards for the entire United Nations system.

40. The issue of emergency funding was presented to the Committee following a request by IASMN for the identification of coordinated and stable modalities for funding security needs in crisis situations. This request arose in light of previous attempts to examine existing modalities that could be used to fund emergency security needs, such as the Secretary-General's contingency fund, or launching a consolidated appeal.

41. On managing risks from natural disasters, IASMN indicated that the United Nations security management system does not have the capacity, tools, knowledge or expertise to properly or accurately assess the likelihood and impact of natural disasters, such as earthquakes, affecting the United Nations. While the security management system must address the security management aspects of the effects of and response to natural disasters for United Nations personnel and premises, the assessment and management of the risk from natural disasters are a collective responsibility, as they have an impact beyond security and pose longer-term problems requiring expertise outside the scope of the security management system. Therefore, the Network concluded that assessing and managing the risk from natural disasters required a process to be established outside the security management system.

42. The Committee:

(a) Took note with appreciation of the briefing by the Under-Secretary-General for Safety and Security;

(b) Took note with appreciation of the note prepared by the Human Resources Network Standing Committee on Field Duty Stations on outstanding issues related to staff and families affected by the heinous bombing of the United



Nations premises in Abuja and commended the Human Resources Network for having reached agreement on coordinated human resources actions to ensure a system-wide harmonized response;

(c) Expressed appreciation to the United Nations medical emergency response team for its prompt and effective action;

(d) Approved the road safety policy as outlined in the security policy manual (CEB/2011/HLCM/17);

(e) Requested the Finance and Budget Network to examine available or new funding options for emergency needs;

(f) Noted that while the United Nations security management system must manage the security management aspects of the effects of and response to natural disasters for United Nations personnel and premises, managing the risks from natural disasters affecting the United Nations is a collective responsibility, cutting across many disciplines in the United Nations system and, as such, requires broader consideration outside the security management system.

## **V. Programme criticality framework**

43. In April 2009, CEB approved the United Nations security management system guidelines for acceptable risk (acceptable risk model). Later field testing of the guidelines identified the need for greater clarity on programme criticality. In June 2010, the Committee therefore established a Programme Criticality Working Group, under the leadership of the United Nations Children's Fund (UNICEF). The goal of the Group was to "define four levels of programme criticality and develop a common framework for informing decision-making within the guidelines for acceptable risk".

44. The new Chair of the Working Group presented the programme criticality framework developed by the Group and the proposed implementation plan. The framework includes a methodology and a tool for informed decision-making, while determining the programme criticality of activities carried out by United Nations system personnel.

45. The programme criticality framework would be used to determine the programme criticality level for specific activities within a given geographic location and time frame. This level would then be used in the acceptable risk model to ensure that United Nations personnel do not take unnecessary risks and that those who remain in-country work on the highest priority activities in accordance with United Nations strategic results. The framework would also allow country-level programme managers to design programmes and activities to be within predictable, known and acceptable risks. The framework was developed through extensive consultation at Headquarters and in the field, including field testing in the Democratic Republic of the Congo, Kenya and Somalia.

46. A key element of the framework is its integration with the new United Nations security management system and, particularly, its value as a tool for implementing the newly adopted "how to stay" approach. The framework is not about staying at any cost, rather it ensures that the programmes and personnel that remain in any country are working on the highest priority functions and programmes. In turn, these

are defined as those supporting the strategic objectives of the United Nations system. Within this approach, the possibility for any staff member to opt for “not staying”, without being penalized by their organizations, was reaffirmed.

47. The Committee recalled that the programme criticality framework represented the last step in an effort, led by the Under-Secretaries-General for Field Support and for Safety and Security with active and high-level engagement by all Committee members, to redesign the United Nations security management system. This has led to the approval by CEB, in the past three years, of many new tools, criteria and procedures, including the new security level system.

48. The Committee thanked UNICEF for accepting this responsibility and for guiding the Working Group to the completion of the new framework.

49. The staff federations, affirming the paramount principle that staff should not face undue risk, expressed appreciation for the work undertaken, stressing that the key issue was to make sure that all possible risk-reduction measures be put in place in any circumstances and that the decision to continue to operate in a given location be made solely to carry out the highest-priority mandates entrusted to the United Nations in that particular context.

50. The Committee:

(a) Approved the final programme criticality framework (methodology and tool) for decision-making within the guidelines for acceptable risk (CEB/2011/HLCM/18) and submitted it to CEB for endorsement at its upcoming session on 28 October 2011;

(b) Recommended that the programme criticality framework be rolled out in at least 12 high-priority countries (between January 2012 and April 2013) and that a consolidated progress report (with lessons learned and recommended adjustments) be made to the Committee at its session in the spring of 2013, following a preliminary update at the session in the autumn of 2012. The list of 12 countries could be adjusted if so required by changing security conditions;

(c) Affirmed that the above roll-out is a collective United Nations-wide responsibility and will be undertaken by a programme criticality coordination team under the leadership of UNICEF, comprising representatives of the Department of Field Support, the Development Operations Coordination Office, the United Nations Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the Office for the Coordination of Humanitarian Affairs, UNAIDS, UNDP, the Department of Political Affairs, the Department of Peacekeeping Operations, the Department of Safety and Security, the United Nations Population Fund (UNFPA), the Office of the United Nations High Commissioner for Refugees, WFP, WHO, the United Nations Environment Programme and the United Nations Office on Drugs and Crime (UNODC), and will be supported by new funding arrangements for global coordination and management, travel and related expenses for in-country training and the development of a programme criticality e-training package;

(d) Tasked the programme criticality coordination team to develop a detailed funding proposal with an implementation plan and budget for the roll-out of the programme of criticality training along the principles, activities and requirements outlined in the proposed implementation plan and budgetary arrangements

(CEB/2011/HLCM/18/Add.1). The finalization of this funding proposal remains essential in order to cover the costs of the roll-out and to ensure that all related activities are implemented on schedule. The Committee further noted that, should sufficient funding not be made available on time, it would delay the start date, as well as scheduled training activities and expected results.

## **VI. Common principles for results reporting**

51. In November 2010, the Chairs of the United Nations Development Group and the Committee launched a high level study, co-led by UNDP and WFP, to identify standardized principles for results reporting. The joint initiative was in response to the continuing and urgent calls from Member States, in the context of the triennial comprehensive policy review, system-wide coherence and relevant General Assembly resolutions, for improved reporting, linking funding to demonstrable results.

52. UNDP and WFP, with support from the Boston Consulting Group, worked with United Nations agencies, the private sector, non-governmental organizations, the Organization for Economic Cooperation and Development and individual donors to determine and assess different approaches, which might align with current United Nations results reporting requirements. The study included two consultations held by the United Nations Development Group and the Committee (one in Rome and one in New York) of United Nations experts on results reporting. Fourteen United Nations entities were represented during these consultations, which helped to define, shape and reach consensus on the final report. Rather than a single framework, the goal of the study was to propose and agree on some common principles for United Nations results reporting, which could be embraced by all United Nations agencies to clarify and improve results reporting practices.

53. The final report on the study (CEB/2011/HLCM-UNDG/1) provides a clearer understanding of the challenges involved in reporting on results and supports the adoption of a standardized language by the United Nations system. It makes the case that reporting on the various contributions of operational and normative functions of United Nations system organizations towards their mandated results should offer a reliable indication of value for money and that reports should be based on the common tenets of mutual accountability, transparency, efficiency and effectiveness. Agreement on common reporting principles would represent the first step towards more simplified, consistent and measurable reporting on results by United Nations system organizations.

54. The study also proposes some further action for the implementation of the principles, as follows:

(a) Incorporation of this approach into the various reporting practices, accountability systems and discussions of the organizations;

(b) Simplification of the existing reporting mechanisms: it is recommended that all normative guidance relating to the preparation of system-wide reporting (e.g. the Resident Coordinators' annual reports and reporting on the United Nations Development Assistance Framework) be adjusted accordingly. United Nations organizations would be responsible for their own modifications to ensure a common and coordinated approach. Committee networks and the United Nations

Development Group/Development Operations Coordination Office would be tasked with ensuring simplification of results reporting instruments;

(c) Innovation: piloting of new reporting models is recommended, whereby one or more agencies would assume the leadership in reporting innovation in a specific sector (on a cross-sectoral issue). These pilots could be under the United Nations Development Group and the Committee, or either, as determined.

55. The ensuing discussion stressed the importance of results reporting as one of the key issues on the agenda of Member States, as well as one of the most serious obstacles to collaboration reported by United Nations country teams.

56. The Committee noted that the United Nations Development Group had already reached the following conclusions regarding this subject:

(a) The common principles should be integrated into the systems of the organizations;

(b) The existing task force should continue to work to develop a framework to simplify reporting;

(c) United Nations Development Group organizations should collect and share best practices.

57. Strong emphasis was placed on the fact that the United Nations system works on a variety of mandates that go well beyond development and that normative, emergency and technical work needs to be captured as well when reporting on results. Any further work on this topic should therefore explicitly cater for the diversity of the United Nations system.

58. There was a consensus on the fact that attention to measurable results by all United Nations stakeholders is expected to increase. The United Nations system should therefore drive the response to such pressure by proactively developing appropriate tools, such as the proposed common principles, that would ensure consistency and transparency towards the external world and foster collaboration internally within the United Nations system. Concurrently, the principle of mutual accountability also places an emphasis on a multi-stakeholder contribution to results.

59. Some organizations confirmed their agreement to incorporating the principles into their results reporting tools, while others indicated that they had already successfully used the proposed framework in their discussions with governing bodies.

60. In moving forward, it may be useful to link this work to the upcoming discussions about the quadrennial comprehensive policy review, which represent an opportunity to draw the attention of Member States to this issue. In addition, the discussion on results reporting would have to be broadened to include the High-level Committee on Programmes, as much of the reporting is related to programmatic issues. In this respect, the Secretary of the High-level Committee on Programmes confirmed that the Committee was ready to collaborate with the High-level Committee on Management and the United Nations Development Group, as necessary.

61. The Committee endorsed the following common principles on results reporting:

**Mutual accountability**

- Support national Governments in implementing their global commitments
- Agree on a shared agenda
- Improve national monitoring and evaluation systems
- Engage in dialogue to facilitate learning

**Transparency**

- Accessible results reporting
- Balanced reporting on successes and challenges
- Understandable for intended users

**Efficient use of resources**

- Report on efficiency initiatives and relative efficiency gains of individual agencies over time
- Simplify, standardize and streamline financial, internal management and external results reporting

**Effectiveness in results**

- Individually and collectively report on contributions towards national, regional and global results.

62. The Committee also recommended that member organizations incorporate, simplify and innovate to ensure that the principles are applied across all relevant business practices.

## **VII. Improving efficiency and effectiveness of the United Nations system**

63. In March 2011, under the guidance of its Subcommittee on Improved Efficiency and Cost Control Measures (phase one), the Committee completed an exercise (CEB/2011/HLCM/14) that identified quick and high yielding actions for increasing efficiency or controlling costs in the areas of:

1. Procurement and common services
2. Governing bodies, meetings and conference services
3. Greater application of information and communications technology in existing businesses and operations
4. Adoption of new or redesigned ways of doing business
5. Efficiency measures in human resources management.

64. The recommendations of the Committee were discussed by CEB at its informal breakfast session on 2 April 2011, after which the Secretary-General requested the Committee to support the overall change management process that he had asked the

Deputy Secretary-General to lead, by undertaking further work on how the United Nations system can “do more with less”.

65. The second phase of the work of the subcommittee was subsequently initiated, under the terms of reference reflected in document CEB/2011/HLCM/15. The tasks were:

(a) The identification of selected actionable and high-yielding ideas and/or summaries of experience on how CEB member organizations have successfully increased efficiency or controlled costs in the past one or two years;

(b) The creation of a prioritized list of joint actions that could be adopted by all, or clusters of, CEB member organizations in the functional areas under the purview of the Committee;

(c) The initial identification of relevant financial, human resources and procurement regulations, rules and policies applicable in the United Nations system, whose review would be recommended for the modernization, effective management and increased cost effectiveness of United Nations system organizations.

66. Concurrently with the work of the Committee, the Secretariat established a change management team on 1 July 2011, led by the Assistant Secretary-General for Peacekeeping Operations.

67. In order to deliver on the CEB request, input on measures already adopted and on proposed new ideas was collected through an extensive consultation process, which resulted in a preliminary report of the Subcommittee on Improved Efficiency and Cost Control Measures (CEB/2011/HLCM/19). This report highlights some of the initiatives (those where there was enough data on baselines and proven or expected savings), which are being undertaken in a system-wide manner under the Committee’s plan of action for the harmonization of business practices. Approaches that have successfully yielded, or promise to yield, significant savings for individual organizations (and can therefore be replicated by others) are also highlighted in the report.

68. The expected result of this exercise is the identification of high-yielding and proven measures for improving efficiency and cutting costs that can be implemented on an individual or system-wide basis, and contribute to the broader work on how the United Nations system can “do more with less”.

69. The Chair of the Subcommittee broadly classified the measures and ideas reflected in the preliminary report as falling into three categories:

(a) Harmonization: activities that achieve economies of scale. This approach is known but success is difficult to achieve. It is, however, clear from the submissions that some progress is being made;

(b) Reducing inefficiencies: this can be done as single agency activities, since efficiency is internal. Organizations can, for example, focus on travel, procurement or energy and learn how others have adopted measures in these areas. These ideas are generally straightforward and fairly easy to implement;

(c) Staff cost reductions: staff costs add up to a considerable proportion of the total costs for most United Nations organizations. This is an area where some potential savings could be made and the preliminary paper includes some measures in this area.

70. A fourth area not falling within the mandate of the Subcommittee and, more broadly, of the Committee, and therefore not reflected in the preliminary report, would include measures to change not how the United Nations does business, but “the business we do”. This would, for example, include a review of obsolete, ineffective or duplicate mandates.

71. Recognizing that no one size fits all, since organizations have different mandates and business models, the Committee recognized the value of sharing experiences and committing as a system to joint endeavours with high potential impact. The Committee also tasked its various networks to undertake a professional review of the relevant parts of the preliminary paper, to better inform further discussions and facilitate the inclusion of additional measures/ideas, if supported by adequate analysis and financial evidence.

72. The Committee:

(a) Noted the initiatives for improving efficiencies and cutting costs reported by its members and encouraged a rapid scale-up or replication of these measures, where possible. It recognized the added-value of larger, system-wide savings generated by initiatives already undertaken or in the pipeline as part of the Committee’s plan for the harmonization of business practices and recommended active engagement in such projects by all member organizations;

(b) Requested organizations that have put forward new ideas, or submitted preliminary information on implemented efficiency measures, to complete their submissions to the CEB secretariat with comprehensive financial evidence by the end of October 2011;

(c) Agreed to organize a round-table discussion in November 2011 with interested Committee members to address difficult and recurring issues on improving efficiency and effectiveness that their organizations are confronted with, and to discuss and compare promising initiatives;

(d) Requested the CEB secretariat to work with the Chair of the Subcommittee and with organizations to complete the report by the end of November 2011 and submit it to the change management team of the Deputy Secretary-General, in accordance with the request of CEB at its twenty-first session.

### **VIII. Follow-up to the High-level Committee on Management-United Nations Development Group high-level mission to identify country-level bottlenecks in business practices**

73. In 2010, at the request of the Chairs of the Committee and the United Nations Development Group, a joint high-level mission to “Delivering as one” countries was undertaken to identify obstacles caused by lack of, or poor, harmonization or coordination in the area of operations.

74. In September 2010, the Committee and the United Nations Development Group endorsed the joint implementation plan that was developed as an annex to the mission report (CEB/2010/HLCM-UNDG/1/Add.1). The implementation plan focuses on the following areas: (a) leadership and agency commitment, (b) the integrated approach to programme and operations, (c) change management and business process review, (d) information and communications technology and

common procurement, (e) human resources, (f) finance, (g) common premises, (h) legal, and (i) harmonized approach to cash transfer. Committee networks and United Nations Development Group working groups have incorporated the identified priorities in their workplans, as also reflected in the Committee's prioritized programme of work (CEB/2011/HLCM/6).

75. The Committee received a briefing from the mission co-leads on the status of the implementation plan, with an outline of the activities that have been launched or completed in each area.

76. Collaboration between the United Nations Development Group, through its Joint Funding and Business Operations Network, and the Committee, through its various networks, has continued to work well. The joint mission represented a turning point in this collaboration, which is now fully institutionalized, while follow-up action on the resulting joint implementation plan is well on track.

77. Building on the findings of the joint mission, a strong emphasis has been placed by both the Committee and the United Nations Development Group on the critical importance of leadership in the area of business practices. Some highlights of the work on the implementation plan are summarized below.

78. In procurement, building on experiences in the United Republic of Tanzania and Mozambique, a project on harmonization of processes and procedures, led by UNICEF, has been launched with funding from the Committee trust fund for the harmonization of business practices. The project will revise inter-agency guidelines and provide for adjustments of the internal policies and procedures of organizations to facilitate collaboration in this area, thereby removing one of the key obstacles to the effective functioning of joint operations in the field.

79. A second initiative that builds on the experiences in the United Republic of Tanzania and Mozambique is in the area of information and communications technology, where WFP will be leading a project on the harmonization of business practices for the up-scaling of common network services and information and communications technology infrastructure in the field. It is important to note that this project will only be a pilot to assist up to five additional countries to implement common information and communications technology solutions, while a global initiative would require significant investment and commitment by organizations.

80. In the area of human resources, under the lead of the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Human Resources Network is addressing some of the key obstacles to working as a system that were identified during the missions. A recently funded project on the harmonization of business practices will specifically focus on the recruitment and selection processes for General Service staff and National Professional Officers at the country level, addressing the need for common definition and treatment of applicants from other agencies as "internal" candidates, as well as the need for common assessment tools and inter-agency interview panels.

81. Responding to the key objectives of increasing leadership and agency commitment in the area of business practices, as well as of approaching programmatic and operational planning in an integrated fashion, training programmes have been developed and delivered by the United Nations system Staff College, with joint support by the Committee's harmonization of business practices trust fund and by the United Nations Development Group/Development Operations



Coordination Office. Such programmes aim to incorporate business practices into the programming process by targeting both operations and programme members of United Nations country teams together. The initial feedback from participants has been very positive. However, successful implementation of the plans prepared by United Nations country teams will require continued leadership at all levels.

82. Considerable progress has been achieved by the United Nations Development Group in connection with the harmonized approach to cash transfer. Challenges have been identified and new training material has been completed. In addition, a global assessment of the harmonized approach to cash transfer is expected in November 2011, which promises to provide information that will enable it to move forward even more effectively.

83. Finally, the United Nations Development Group Common Services Working Group is focusing on indicators to measure efficiency gaps. A monitoring and evaluation framework for common operations is being developed. Once completed and implemented, this will help the United Nations system respond to the increasing pressure for measurable results in the area of efficiency gains.

84. In their concluding remarks, the mission co-leads noted the importance for the United Nations system to continue to focus on overcoming obstacles to effectively working together, through the active commitment by leadership at Headquarters and at the regional and country levels. Concurrently, the effort towards “Delivering as one” should be reinforced by recognizing and rewarding country team members for collaborative work.

85. The Committee:

(a) Took note of the progress made by both the Committee networks and the United Nations Development Group, and further recognized that continued efforts and focus on addressing obstacles to country-level implementation must be given full support and priority by all organizations;

(b) Requested a final report on the follow-up to the joint implementation plan for its session in the autumn of 2012.

## **IX. High-level Committee on Management networks**

### **A. Human resources**

#### **1. Harmonization of business practices**

86. The Human Resources Network Co-Chair introduced this initiative on the harmonization of business practices as a direct follow-up to the comprehensive report entitled “Review of contractual arrangements, staff regulations, rules and practices”, completed by the Network in October 2010, and to the findings of the joint High-level Committee on Management-United Nations Development Group mission to “Delivering as one” countries.

87. One of the priorities identified was the harmonization of vacancy advertisements and selection processes at the country level for General Service and National Professional Officer positions. The project proposal developed by UNESCO provides for a phased approach with limited scope at the outset, with a

view to ensuring the success of the pilot without creating an added administrative burden. The pilot would not override existing local initiatives in this area, but would rather complement them. The project would comprise two stages: (a) definition of needs and establishment of job profiles (of General Service and National Professional Officer posts) and (b) development of tools for the evaluation stage, i.e. templates for harmonized assessment tests and interviews. The aim is to reduce competition locally and ultimately take advantage of economies of scale. The project would seek inter-agency participation and the sharing of rosters of pre-screened candidates. Uruguay and Viet Nam, two “Delivering as one” countries which do not have multiple duty stations, were proposed as the pilot locations. Following an assessment of the pilots, the Human Resources Network and the Committee would decide how to broaden the scope of this initiative.

88. The proposal received strong support from the Committee and the staff federations, which also suggested proceeding with the choice of the pilot locations after confirming that there would be enough staff turnover to get meaningful results.

89. In connection with human resources matters in “Delivering as one” pilot countries, the Vice-Chairman of the ICSC informed the Committee that the Human Resources Network and the ICSC secretariat had discussed the possibility of collaborating on a project to implement the General Service job classification standard in the “Delivering as one” pilot countries. The project aims to ensure that all staff members within a duty station are similarly treated with respect to the classification of their posts, while also providing for recruiting mechanisms to ensure that staff members with the greatest quality and integrity are retained. A project proposal has been put forward by the ICSC secretariat, on which it is expected to proceed soon.

90. In addition, the ICSC held its annual training workshop in Viet Nam. While there, the Chair and members of the secretariat held discussions with some members of the local change management team, which expressed a desire to work with ICSC in achieving harmonization with respect to areas within the Commission’s purview. ICSC and its secretariat stand ready and hope to be active partners with the Human Resources Network in promoting progress in this area in Viet Nam and other “Delivering as one” countries.

91. The Committee endorsed the initiative on recruitment and selection processes for General Service staff and National Professional Officers at the country level, as approved by the harmonization of business practices steering committee and endorsed by the Human Resources Network. Furthermore, Committee members agreed to give full support to the initiative and to communicate this support to relevant organizational units and country offices.

## **2. Outcome of the seventy-third session of the International Civil Service Commission**

92. The seventy-third session of ICSC took place from 18 to 29 July 2011. The Commission’s decisions are reported in a note by the Human Resources Network (CEB/2011/HLCM/24). Issues addressed included: (a) danger pay, (b) mobility and hardship scheme — review of the level, (c) rest and recuperation framework, (d) establishment of unified special operations living allowance rates, and (f) designation of non-family duty stations.

93. ICSC decided that the term “hazard pay” should be changed to “danger pay” and established new criteria, based on which danger pay would apply only in extraordinary situations. Such situations occur when staff are at high risk of becoming collateral damage or find themselves the targets of violence. The intention of the Commission was for the transition from hazard pay to danger pay to be cost neutral. The danger pay was set at \$1,600 per month as of 1 January 2012, an amount judged as insufficient by the Human Resources Network, also considering the few countries that would receive danger pay based on the revised criteria. The Vice-Chair of ICSC informed the Committee that this issue would be discussed again in the near future.

94. The General Assembly had approved a methodological review of the mobility and hardship scheme in 2010. The Commission agreed to review the scheme in two phases. Methodological changes were made to the scheme by the Commission at its seventy-second session. At its seventy-third session, the Commission decided to grant a 2.5 per cent increase for the hardship allowance, the mobility allowance and the non-removal allowance, respectively, for implementation on 1 January 2012. The Commission also decided that the additional non-family hardship element for staff serving in non-family duty stations should be adjusted by the same percentage as the hardship, mobility and non-removal allowances, for implementation on 1 January 2012.

95. The Commission additionally decided on a revised set of criteria for the granting of rest and recuperation, with rest and recuperation frequencies varying from 4 weeks for staff serving in extreme emergency situations to 12 weeks for duty stations with high levels of hardship. In the ensuing discussion, the Commission stated that criteria might change to take into consideration the varying needs and business models of different organizations.

96. The Commission also revised the designation of non-family duty stations. The authority to decide when to declare a duty station non-family, after consultation with the ICSC Working Group for the Review of Conditions of Life and Work in Field Duty Stations, was delegated to the Chair of the Commission. In this respect, the Human Resources Network Co-Chair noted that the new designation process had already been tested on one occasion and had worked well, allowing a duty station to be designated as non-family within only 48 hours of the request being made.

97. The fact that the designation of non-family duty stations would be quite restrictive and would be made from a purely security perspective was a concern to many Committee members. Even if other criteria (for example, a lack of sufficient medical care and schooling) are partially covered in other elements of the pay and benefits scheme, such as the hardship rating of the duty stations, members acknowledged that this issue warranted further discussion.

98. The Committee:

(a) Thanked the Human Resources Network for the information and took note of the decisions of ICSC at its seventy-third session;

(b) Decided to request ICSC to revisit its recommendation on the level of danger pay and to revise further the definition of non-family duty stations, taking into account the views expressed in the Committee.

### **3. Retreat for Human Resources Directors and members of the International Civil Service Commission**

99. The Human Resources Directors organized a one-day retreat on 15 July 2011 in Paris with ICSC members, immediately prior to the seventy-third session of the Commission. The objective was to develop closer working relations and collaboration, with a view to better understanding each other's challenges and needs. During the retreat, two issues in particular were highlighted as meriting further attention. Both are linked to the evolving operational needs and challenges of the United Nations organizations, as well as to the changing profiles of the future United Nations staff:

(a) ICSC framework for human resources management: the Commission members planned to start a review of the framework introduced 10 years ago;

(b) Pay and benefits scheme: the Commission was considering a review of the scheme, feeling that a holistic approach should be taken with a view to modernizing and simplifying it as far as possible.

100. The retreat was marked as a success, as it took place in an atmosphere of cooperation and mutual respect for sometimes differing views.

101. With respect to the human resources management framework, the Human Resources Network would be pleased to participate in such a review, in order to update and include any new elements which may be missing from the current version. Nevertheless, the Network is of the opinion that the framework is still a valid tool and that the basic operating principles and the elements that bind the common system together are still sound and current. Suggestions were also made for ICSC to consider different approaches to different organizations.

102. Since previous reviews had mistakenly looked at each benefit separately, the Vice-Chair of the ICSC reiterated the need to adopt a holistic approach to the pay and benefits package of United Nations personnel. In difficult economic times, Member States are forced to cut costs in their own civil services. Consequently, efforts to find equitable solutions for United Nations staff are being severely tested, requiring new tools, innovative human resources strategies and the mutual understanding of all stakeholders. It was also clarified that the timeline for the review would stretch over the next two to three years, hopefully allowing for the current financial environment to improve.

103. The Committee took note of the briefing on the retreat held by the Human Resources Directors and the members of ICSC.

## **B. Finance and budget**

104. The newly appointed Co-Chair of the Finance and Budget Network informed the Committee that the work of the Network closely correlates with the aspirations of the Committee in the area of improvements to the efficiency and effectiveness of the United Nations system, as well as better communication of results. The Network is launching new and promising initiatives. Considering that the implementation of International Public Sector Accounting Standards (IPSAS) is now successfully under way across the system, less commitment from the financial community is expected to be required in this area.

## 1. Feasibility study on common United Nations treasury services

105. The Network Co-Chair and co-lead of the Working Group on Common Treasury Services introduced this project as a good opportunity to achieve high-yielding and measurable efficiency results for the entire United Nations system. The Working Group is composed of 19 organizations. Established by the Finance and Budget Network in 2009, the group was tasked with setting up a web-based knowledge-sharing tool and conducting a feasibility study for a harmonized approach to treasury services within the United Nations system. The knowledge-sharing tool (the Treasury Community of Practice website) has been fully functional since January 2010 and has proved its value to the United Nations system treasury experts.

106. The objectives of the feasibility study, conducted by KPMG, were to identify opportunities for developing harmonized treasury practices across the United Nations system; prioritize common service options by evaluating cost/benefit scenarios for their institutionalization; and identify major divergences and legal framework options for the delivery of common services. The four distinctive areas having improvement opportunities were identified as:

(a) Banking services: having some 400 banks used by organizations of the United Nations system results in some diverging banking arrangements. Collaboration in this area would yield significant savings from fee reductions and diminution of counterparty risks. Implementation of recommendations should start soon with some investments needed to take on the project;

(b) Foreign currency management: some \$30 billion equivalent of currencies is traded annually in the United Nations system. While opportunities are limited for the currencies of highly developed countries, such as the dollar, the euro and the Swiss franc, significant savings are possible in respect of purchasing many of the less widely traded developing-world currencies. Implementation of recommendations in this area is already under way in some organizations;

(c) Payments: some \$3 billion of payments are made across the United Nations system annually. Implementation of identified opportunities, however, would be more difficult as additional investments would be needed to upgrade enterprise resource planning systems;

(d) Investments: this area presents the largest opportunity for savings, whose quantification and risk, nevertheless, have not enjoyed broad consensus in the Working Group. KPMG indicated that this is the biggest opportunity, where some \$32 billion of investment funds are collectively held across the United Nations system organizations. KPMG recommended that United Nations system organizations collectively take a bit more risk by extending the duration or slightly lowering the quality of investments. This recommendation was treated with caution by many organizations and it was agreed that further investigation of opportunities should be conducted before implementation modalities are considered.

107. At its meeting on 12 September 2011, the Working Group on Common Treasury Services finalized and endorsed the approach for implementing the recommendations made in the feasibility study. The Finance and Budget Network reviewed this approach during its meeting on 21 and 22 September 2011 in Turin and provided recommendations to the Committee on further action to be taken, as

outlined in the annex to the Committee's position paper on common treasury services (CEB/2011/HLCM/20/Rev.1).

108. Under a new Harmonization Coordination Committee, subgroups would be formed of committed organizations willing to participate in each project, to define each project with its objectives, implementation timeline, costs/benefits, budget and funding mechanism. Some quick-win activities are either already being implemented at individual organizations or are being planned for a swift roll-out.

109. One overarching recommendation relates to improvement of risk management practices, acknowledging that risk is a key factor in treasury operations. As advised, different risk profiles of participating organizations require a joint collaborative and flexible approach. The establishment of a risk advisory group that can support common policy requirements would be an important step towards improvement in this area for some organizations.

110. A number of organizations opted out of commitments to implementation in the investment area, which is subject to further review to assess feasibility. Such organizations maintained that they already had fully developed risk management frameworks and/or did not consider an increase in investment risk profiles to be prudent. In this respect, the Working Group co-lead clarified that KPMG was not proposing to take more risk, but was rather highlighting the need to first improve measurement and management of investment risk.

111. It was also emphasized that some smaller agencies with limited investment management resources were not actively managing risks and as a result might be earning lower investment returns. Organizations managing larger investment pools tended to be able to achieve greater investment diversification and therefore achieve higher returns. The United Nations Secretariat invited organizations to join their investment pool to provide them with access to a more diversified investment portfolio, risk reduction and a better rate of return.

112. The follow-up proposals on banking services and foreign currency management received unanimous support from the Committee and a suggestion was made to also address cash transfer needs for United Nations system locations where security risks are very high.

113. In the area of payments, membership in the SWIFT infrastructure was presented in the KPMG report as having a potentially high impact. As a highly secure communications system between banks and financial institutions, SWIFT is useful in reducing bank charges and in optimizing payment transfer procedures with a wide range of banks. The United Nations Secretariat has offered its SWIFT infrastructure to any interested United Nations system organization on a cost-sharing basis and UNICEF has already joined. The Network Co-Chair noted that considering the complexities involved, payments via SWIFT would need to be part of the second wave of projects to be implemented as a follow-up to the feasibility study. The Secretariat also indicated that it was close to finalizing its payment cards framework agreement and other United Nations system organizations would be invited to participate.

114. The Committee:

(a) Approved continuation of the common treasury services project into its next implementation phase;

(b) Endorsed the decision of the Finance and Budget Network to reconstitute the steering committee of the existing project as the Harmonization Coordination Committee, with the objective of overseeing overall implementation of the project, with continued reporting responsibilities to the Working Group on Common Treasury Services and the Network. The need for other governing structures would be reviewed going forward;

(c) Took note of prioritization of the initiatives for implementation as recommended by the Finance and Budget Network and, based on the subsequent discussion and the agreement of the Committee, of ensuring that clear implementation targets, timelines and implementation processes are established for each advancing initiative.

## **2. Update on activities of the Finance and Budget Network**

115. The Finance and Budget Network Co-Chair briefed the Committee on the United Nations system-wide financial statistics project. The CEB secretariat is implementing the project, which continues to be on time and within budget. The information technology system is projected to be piloted by the end of March 2012 and go live with system-wide financial data by June 2012. A steering committee consisting of representatives from the Finance and Budget Network oversees the implementation process and roll-out of the new database solution.

116. In comments on the financial statistics project it was emphasized that expenditure categories required further analysis and agreement; that simplicity of the expected solution should be an objective; and that definitions needed further clarification. The Network Co-Chair assured the Committee that these concerns were considered in the recent Network meeting and would be addressed in the forthcoming phase of data mapping and system design.

117. A Working Group on Accrual Budgeting was established to address the growing trend of external auditors and audit advisory committees to rush organizations into adopting accrual budgeting. The Finance and Budget Network agreed that the recommendation to adopt accrual budgeting was not well-founded and would potentially cause difficulties in interpreting the budgets. In addition, implementation of accrual budgeting would be extremely demanding in terms of funding and human resources. Considering the uncertainties and the lack of available resources for this task, the Network agreed that the working group would clarify the definition of accrual budgeting in the United Nations system, review experiences from the public sector and confirm the feasibility or otherwise of implementing accrual budgeting at this time. UNDP will lead this working group with other members representing the United Nations, UNFPA, ILO and the World Meteorological Organization.

118. The Working Group on Safety and Security Costs will soon start reviewing options for cost sharing of the jointly funded budget for the United Nations security management system, with a deadline for completion of the work by November 2011. Results would be shared with IASMN and the Finance and Budget Network before proposing the final recommendations in early 2012. The Network agreed that revised cost-sharing arrangements should only apply from the biennium 2014-2015.

119. Members of the Finance and Budget Network asked the United Nations Secretariat for additional information on the 2012-2013 budgets of all jointly

financed activities. This followed the decision by the Committee, in March 2011, to endorse the budgets for jointly financed activities at zero growth level, while placing an emphasis on the need for organizations to absorb any recosting adjustments through efficiencies. The requested additional information concerned the comparison of 2010-2011 budgets for these activities with submitted and recosted budgets for 2012-2013. This review would not influence cost-sharing arrangements for 2012-2013, which were approved in the Network meeting.

120. The Finance and Budget Network noted some communication gaps between human resources and finance and budget colleagues that had caused difficulties in approving budgets for jointly funded voluntary activities initiated by the Human Resources Network. The Co-Chair suggested that, in future, draft budgets for these kinds of activities and projected cost apportionment should be simultaneously circulated for review and approval to both the Human Resources and Finance and Budget Networks.

121. Finally, after-service health insurance benefits liability funding has been identified as an area requiring special attention by the Finance and Budget Network. In this respect, Committee members expressed interest in the possibility that funding for these benefits be managed using the United Nations Joint Staff Pension Fund and other pooling mechanisms.

122. The Committee:

(a) Took note with appreciation of the recent work in progress of the United Nations system financial statistics project;

(b) Requested the Finance and Budget Network Working Group on Safety and Security Costs to complete its review of the cost-sharing arrangements for the jointly funded United Nations security management system;

(c) Advised the Finance and Budget Network and other Committee networks that their meetings should take place at least two weeks before Committee meetings, allowing adequate time for the review of network conclusions.

### **3. International Public Sector Accounting Standards Task Force**

123. The newly appointed Chair of the Task Force on Accounting Standards reported that nine organizations have now implemented IPSAS. These organizations faced various challenges and risks, including availability and complexity of information, staffing issues, delays in the closure process and various technical issues. Interaction with external auditors was highlighted as critical for implementation success and one of the biggest risk areas, given the difficulty of reaching consistent interpretation and timely engagement. The technical group of the Panel of External Auditors has positively influenced some of the recent audit opinions, uniting diverging views of the external auditors on technical accounting matters. Taking note of the roll-out calendar, some members noted that the slippage in the implementation of IPSAS by the United Nations Secretariat to 2014 may have negative consequences for some organizations, particularly on compliance with the requirements of the Global Environment Facility.

124. The Task Force Chair appreciated the mutual collaboration between organizations as a means to overcome challenges arising from the interpretation of technical standards. Massive cultural changes would still need to happen to reach



complete IPSAS adoption, with many of these challenges being of a non-financial nature, requiring additional training for a broad range of staff functions. New or improved processes and an internal control framework would need to be established. In conclusion, although IPSAS will provide for more frequent reporting it will, nevertheless, require investment if it is to achieve full impact.

125. The IPSAS system-wide project will continue to provide support in four core areas:

- (a) Facilitation and communication;
- (b) Monitoring of the work of the IPSAS Board and follow-up activities including proactive participation in its work;
- (c) Coordination of accounting diversity;
- (d) Guidance and support where the focus starts shifting to post-implementation activities.

126. Attention in the post-implementation period is also moving to consistency of treatment by external auditors. The pronouncements of the Task Force remain as guidance and are not binding.

127. The Task Force Chair listed a number of IPSAS dividends, many of which are realized at the time when compliance is reached, while others would take much longer to materialize. In this respect, the Committee expressed interest in sharing of experiences and documentation with organizations that have already reaped some IPSAS dividends and have developed communications material in this area.

128. The Committee took note with appreciation of the IPSAS progress report.

## **C. Procurement**

### **1. Collaborative procurement and overview of the efficiency, effectiveness and cost-control activities of the Procurement Network**

129. The outgoing Chair of the Procurement Network briefed the Committee on a series of initiatives related to collaborative procurement launched by the Network in response to the need for improving efficiency in the United Nations system. At the meeting in March 2011, the Network endorsed a process for collaborative procurement which enables members to opt in on collaborative procurement for products or services that are cross-cutting for member organizations. This is in addition to, and separate from, location-based collaborative procurement (which has yielded substantial results for organizations based in Geneva and Rome) and ongoing collaborative procurement for programmatic supplies (e.g. WHO and UNICEF on health products).

130. Organizations based in Copenhagen have initiated a number of collaborative projects and the level of collaborative activity will increase over the coming months as they prepare to move into new shared premises. Lessons learned and best practices are being collected and shared within the Network.

131. Following the Procurement Network meeting in March 2011, the International Atomic Energy Agency (IAEA) undertook an analysis of United Nations agency procurement expenditures as part of a project to identify categories that may be

suitable for collaborative, multi-agency supply strategies. The initial survey did not yield the expected results due to problems with the quality of the data and the complexity of the risk assessment. The Network reiterated that the analytical framework enables evidence-based decision-making as to the potential for collaboration and decided that member organizations should continue to work to refine the data and improve its quality. The results of the new survey will be presented to the Network at its session in the spring of 2012. Based on this analysis, the Network may decide to expand collaborative procurement to other product or service groups. Despite the considerable potential for savings, organizations need to be prudent when deciding when and where to engage in collaborative procurement. As staff and transaction costs required to achieve meaningful results may exceed the benefits obtained.

132. Concerted efforts are continuing to increase collaboration on supplies and services that are common across the United Nations system. Cargo insurance contracts should be issued by April 2012, with savings estimated at nearly \$500,000 annually for the participating agencies, pending the outcome of the bidding process. Furthermore, non-monetary benefits of the new insurance policy are expected to reduce transaction time. New contracts for international freight forwarders have been issued and are well under way. These contracts are projected to result in multi-million dollar savings (in international freight costs) over a five-year period. The participating agencies in this tender are devising a methodology for calculating savings accurately. In addition, the collaboration between 11 organizations on vehicle procurement is just beginning. This is a complex area of work and support and commitment from leaders in the various organizations will be required for the initiative to reach its full potential.

133. Progress on two initiatives under the harmonization of business practices plan of action was reported by the Network. As part of the harmonization of procurement procedures project, a survey of over 150 United Nations procurement practitioners in more than 80 countries has identified specific bottlenecks which, if harmonized, would enable more effective cooperation on procurement. Once approved, model texts that clarify and enable harmonization on these specific issues would result in a revision of the guidelines for harmonized United Nations procurement. The Procurement Network will also recommend that these guidelines be included in the regulatory framework of each United Nations agency to help ensure a more rapid and supported roll-out. For this initiative to succeed, each organization would need to assume responsibility for implementing the proposed changes, most of which require only revisions to policies and procedures and not to financial rules and regulations.

134. The Committee took note of the considerable work undertaken by the Procurement Network in the area of collaborative procurement and encouraged it to identify additional areas for collaboration. Furthermore, the Committee encouraged all member organizations to participate in the harmonization of business practices project on the collaborative procurement of vehicles.

## **2. Model policy framework on vendor eligibility**

135. At its twenty-first session, the Committee endorsed the model policy framework on vendor eligibility for the United Nations system. The Committee/Procurement Network membership is promoting the implementation of the

framework as the foundation for the necessary related systems at agency level. It is, nevertheless, recognized that the complexity and timelines faced when creating agency systems will vary.

136. In August 2011, UNDP developed and launched a high-level survey for the Committee/Procurement Network membership on the status of implementation of the framework. Participants were asked to assess the degree of awareness of the framework; what unit(s) had ownership over the implementation process; the timelines for implementation; the main challenges they were facing; and the opportunities for support.

137. Seventy-five per cent of member organizations (21) took part in the survey. Results revealed that progress has been limited and additional attention is needed. The Procurement Network will be facilitating a sharing of lessons learned in implementing the framework, including ideas as to how to implement it with limited financial implications. The Network will continue to keep the Committee updated on progress, as this remains a standing item on the Network agenda.

138. The Committee took note of the progress report on the implementation of the model policy framework for vendor eligibility and urged all members to take the necessary actions to implement the framework in their own organizations. Furthermore, the Committee urged the Procurement Network to collect lessons learned and to report back to it at its session in the autumn of 2012.

## **D. Information and communications technology**

### **1. Cybersecurity**

139. Since the twenty-first session of the Committee, a number of inter-agency activities in the cybersecurity area have taken place, following the request of CEB at its session in April 2010 to the High-level Committees on Management and Programmes to take up the issue. These activities included the first-ever conference of United Nations information security specialists, as well as a meeting by a group under the purview of the High-level Committee on Programmes to study the programme policy issues of cybersecurity and cybercrime.

140. A representative from the Information and Communications Technology Network informed the Committee of progress in the key cybersecurity focus areas: awareness, policies and standards, and incident response. These activities were taking place through the information security special interest group of the Information and Communications Technology Network, which brought together for the first time in September 2011 information security specialists from across the United Nations system. The presentation highlighted the importance of awareness by staff members of cyberthreats, and proposed a training programme that agencies might consider making mandatory. In addition, the group planned a survey of United Nations system organizations, contributing to the accelerated sharing of policies and standards, as well as a standard approach for responding to cybersecurity incidents.

141. The Secretary of the High-level Committee on Programmes informed the Committee of the formation of a similar working group, jointly led by the International Telecommunication Union and UNODC, which would examine the programme policy aspects of cybersecurity and cybercrime. This group met in July to further explore legislative, policy and operational responses to cybercrime and to

discuss a framework for international cooperation. In this context, UNODC had launched a study, to be concluded in April 2013, on the issues related to a potential cybercrime treaty. These two groups operated in tandem, with the Information and Communications Technology Network special interest group focusing on the internal operational aspects of these issues and the High-level Committee on Programmes group addressing the system-wide programme policy aspects of cyberthreats.

142. IAEA informed the Committee that it had already invested heavily in the information technology security campaign and, subject to contractual conditions with its service provider, the Agency would be open to sharing its campaign practice with other United Nations system organizations.

143. The Committee called on organizations to take steps to protect their systems against cybersecurity threats and to participate in and support cybersecurity activities.

## **2. Update on current main activities**

144. Within the framework of the harmonization of business practices plan of action, the development of a common approach to understanding the complete institutional cost of information and communications technology activities is under way. The ability to calculate the cost of information and communications technology operations in a standard way, across the entire operation of an organization, allows for effective benchmarking of these critical services.

145. The value of this project, which is nearing completion, would only be partially in the identification of the total cost of information and communications technology for a particular time period. More importantly, organizations should aim to identify trends and benchmarks in spending on information and communications technology, across different time periods.

146. Committee members expressed interest in considering the existence of further scope for reduction in the information technology service costs of the International Computing Centre (ICC). The recent study by McKinsey consultants on the cost competitiveness and effectiveness of ICC services had shown positive results. The study confirmed that the Centre is cost-competitive and may need to invest more in marketing its services through the United Nations system. The Information and Communications Technology Network encouraged wider use of ICC services; for instance, ICC is a viable provider of cloud computing services for the United Nations system.

147. The Committee took note with appreciation of the report on the status of the activities of the Network and asked it to prepare an update for the next session of the Committee on the scope and efficiency of ICC services, as well as on other possible sources of common benefits related to information and communications technology services in the United Nations system.

## **X. Other business**

### **A. Mandatory age of separation**

148. The Mandatory Age of Separation Working Group, coordinated by WFP, was convened by the Committee with a mandate to examine all aspects of the issue. The group looked into financial aspects in conjunction with the United Nations Joint Staff Pension Fund, considered the perspective of both current and future staff and examined innovative separation modalities such as phased and flexible retirement plans.

149. A survey was launched to collect legal and policy information, as well as data on existing practices on mandatory separation and retiree rehiring, and actuarial analyses were conducted to estimate after-service health insurance savings associated with an increase in the mandatory age of separation. In order to incorporate the staff perspective, two global staff surveys were completed (one coordinated by CCISUA and UNISERV, the other by FICSA). The surveys indicate broad support among the staff surveyed for an increase in the mandatory age of separation, as long as the right of current staff to retire at 60 or 62 is preserved.

150. The working group found wide variance in current practice with regard to the mandatory age of separation. Further divergence was found in the categories of staff that are typically retained. In some agencies, retentions beyond the mandatory age are mostly for high-level Professional category staff and management, while in others a substantial portion of retentions are from the General Service category.

151. Organizations reported different objectives in connection with the use of the mandatory age of separation as a management tool: succession planning, workforce rejuvenation and reducing staff costs. Overall, normative agencies rely more heavily on older staff than operations-based agencies.

152. Flexible retirement options are in place in some organizations: WFP and FAO have implemented a programme that allows for part-time work (at 50 or 80 per cent) for up to one year during the three-year period preceding the expected retirement date. However, no staff members have availed themselves of the option since its implementation in 2009. UNDP has allowed special leave without pay to be used to bridge to retirement in a limited number of cases, generally fewer than five in each year.

153. The rules of the United Nations Joint Staff Pension Fund require prorated contributions during periods of part-time work, which may result in a “pension penalty” for some staff members due to participation in flexible retirement programmes. This adds a new dimension to an ongoing debate over whether to allow staff members to contribute on a 100 per cent basis to the Pension Fund during periods of part-time work.

154. In conclusion, work would continue towards the finalization of a report by the end of 2011, with preliminary indications showing no pressing need for system-wide common action on this matter, but rather the opportunity for initiatives by individual organizations on retirement policies, as well as the value of sharing experience.

155. The Committee took note of the progress in this work and requested the Working Group to finalize its report by the end of December 2011 and submit it to

the Committee for review, finalization and submission to ICSC following the twenty-third session of the Committee.

## **B. Enterprise risk management**

156. On 2 and 3 June 2011 the United Nations Secretariat and UNFPA, under the auspices of the Committee, organized a two-day inter-agency workshop on enterprise risk management. Around 50 participants from some 30 entities of the United Nations system learned from keynote speakers with particular expertise in the implementation of enterprise risk management in the public sector and shared experience with practitioners implementing it in the United Nations system. Keynote speakers included the Chair of the Independent Audit Advisory Committee, a representative of the Government of Canada and a representative of the Centre for Strategic and International Studies. The group also benefited from the presence of two oversight bodies of the United Nations: the Board of Auditors and the Office of Internal Oversight Services, representatives of which made presentations on the subject.

157. Participants identified specific future opportunities for collaboration on significant areas, such as, among others, the creation of a risk solutions database, the design of an enterprise risk management workplan, optimal reporting and monitoring tools and common training materials, and decided to continue working together to support each other in the implementation of an effective framework.

158. The Committee endorsed the creation of the United Nations enterprise risk management community of practice, to share knowledge and experience and to serve as a potential mechanism to report system-wide common issues and risks to the Committee.

## **C. Venue and dates for the next meeting**

159. The Committee took note with appreciation of the kind offer by the World Tourism Organization to host its twenty-third session in Madrid. Dates would be identified and communicated shortly, following consultations with member organizations.

## Annex I

### List of participants

Chair:	Josette Sheeran, World Food Programme
Vice-Chair:	Jan Beagle, Joint United Nations Programme on HIV/AIDS
High-level Committee on Management Secretary:	Remo Lalli, Chief Executives Board for Coordination secretariat

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<b>United Nations</b>	<p><b>Gregory Starr</b> Under-Secretary-General, Department of Safety and Security</p> <p><b>Catherine Pollard</b> Assistant Secretary-General, Office of Human Resources Management and Human Resources Network Co-Chair</p> <p><b>Brian Davey</b>, Director, Medical Services Division and Medical Directors Working Group Spokesperson</p> <p><b>Chandramouli Ramanathan</b>, Director, Accounts Division and Officer-in-Charge, Peacekeeping Financing Division</p> <p><b>Anne Marie Pinou</b>, Special Assistant to the Under-Secretary-General for Safety and Security and Secretary of the Inter-Agency Security Management Network</p>
<b>ILO</b>	<b>Telma Viale</b> , Director, Human Resources Development Department
<b>FAO</b>	<b>Nick Nelson</b> , Assistant Director-General, Corporate Services, Human Resources and Finance Department
<b>UNESCO</b>	<p><b>Getachew Engida</b>, Deputy Director-General</p> <p><b>Helen Assefa</b>, Senior Executive Officer</p>
<b>WHO</b>	<p><b>Mohamed Jama</b>, Assistant Director-General, General Management</p> <p><b>Nick Jeffreys</b>, Comptroller, and Finance and Budget Network Co-Chair</p> <p><b>Nicole Krüger</b>, Management Officer</p>
<b>ICAO</b>	<b>Fang Liu</b> , Director, Bureau of Administration and Services
<b>World Bank</b>	<p><b>Trikkur V. Somanathan</b>, Director, General Services Department</p> <p><b>Jeffrey Culver</b>, Head of Corporate Security and Business Continuity</p>

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	<b>Robert Simpson</b> , Global Security Operations Coordinator
<b>IMF</b>	<b>Frank Harnischfeger</b> , Director, Technology and General Services Department
<b>ITU</b>	<b>Julia S. Watt</b> , Chief, Human Resources Management Department
<b>WMO</b>	<b>Joachim Müller</b> , Director, Resource Management Department
<b>IFAD</b>	<b>Cheryl Morden</b> , Director, North American Liaison Office
<b>UNIDO</b>	<b>Hui Sui</b> , Managing Director, Programme Support and General Management Division
	<b>Shaukat Qazi Fareed</b> , Special Adviser to the Director-General, UNIDO Office in New York
<b>UNWTO</b>	<b>José G. Blanch</b> , Director, Administration and Finance
<b>IAEA</b>	<b>David Waller</b> , Deputy Director-General and Head of Management
<b>UNAIDS</b>	<b>Jan Beagle</b> , Deputy Executive Director, Management and External Relations, High-level Committee on Management Vice-Chair and Co-Chair of United Nations Development Group Working Group on Resident Coordinator System Issues
<b>UNDP</b>	<b>Akiko Yuge</b> , Assistant Administrator and Director of Bureau of Management
	<b>Darshak Shah</b> , Deputy Assistant Administrator, Deputy Director and Chief Finance Officer and Finance and Budget Network Co-Chair
	<b>Irina Stavenscaia Botezatu</b> , Management Specialist, Bureau of Management
<b>UNICEF</b>	<b>Martin Mogwanja</b> , Deputy Executive Director
	<b>Lori Issa</b> , Coherence Specialist, United Nations and Intergovernmental Affairs, Governance, United Nations and Multilateral Affairs
	<b>Shanelle Hall</b> , Director, Procurement and Chair of the Procurement Network
<b>WFP</b>	<b>Josette Sheeran</b> , Executive Director and High-level Committee on Management Chair
	<b>Gina Casar</b> , Deputy Executive Director and Chief Financial Officer, Resource Management Accountability
	<b>Robert Opp</b> , Director, Business Innovation and Support



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<b>UNFPA</b>	<b>Mari Simonen</b> , Deputy Executive Director and Co-Chair of the United Nations Development Group Joint Funding and Business Operations Network  <b>Subhash K. Gupta</b> , Director, Division for Management Services
<b>UNRWA</b>	<b>Laura Londén</b> , Director of Administrative Support
<b>UNHCR</b>	<b>T. Alexander Aleinikoff</b> , Deputy High Commissioner for Refugees
<b>UN-Habitat</b>	<b>Antoine King</b> , Director, Programme Support Division
<b>United Nations Office at Vienna/UNODC</b>	<b>Dennis Thatchaichawalit</b> , Director, Division for Management, United Nations Office at Vienna and UNODC
<b>UNEP</b>	<b>Christoph Bouvier</b> , Chief, Office for Operations
<b>UNCTAD</b>	<b>Angelo Galindo</b> , Chief, Resources Management Service
<b>ITC</b>	<b>Eva K. Murray</b> , Director, Division of Programme Support
<b>UNOPS</b>	<b>Vitaly Vanshelboim</b> , Deputy Executive Director
<b>UN-Women</b>	<b>Giovanie Biha</b> , Director, Division of Management and Administration
<b>United Nations Development Operations Coordination Office</b>	<b>Dena Assaf</b> , Deputy Director, United Nations Development Operations Coordination Office
<b>ICSC</b>	<b>Wolfgang Stoeckl</b> , Vice-Chairman
<b>FICSA</b>	<b>Mauro Pace</b> , President
<b>UNISERV</b>	<b>Dimitri Samara</b> , President  <b>Tint Kyu</b>
<b>CCISUA</b>	<b>Phocus Ntayombya</b> , UNICEF Global Staff Association Chair
<b>Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization</b>	<b>Frances Boyle</b> , Director, Division of Administration
<b>CEB secretariat</b>	<b>Remo Lalli</b> , Secretary, High-level Committee on Management <b>Phyllis Lee</b> , Secretary, High-level Committee on Programmes <b>Ronny Lindstrom</b> , Senior Business Practices Adviser <b>Armands Cakss</b> , Inter-Agency Advisor, Finance and Budget <b>Frederique Morice-Walker</b> , Executive Assistant

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**United Nations Foundation**

**Senator Tim Wirth**, President

**Kathy Calvin**, Chief Executive Officer

**Peter Yeo**, Executive Director, Better World Campaign

**Minh-Thu Pham**, Director of Public Policy, Better World Campaign

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## Annex II

### Checklist of documents

<i>Title</i>	<i>Document symbol</i>
Provisional annotated agenda	CEB/2011/HLCM/16/Rev.1
Revised provisional programme of work	CEB/2011/HLCM/16/Add.1/Rev.1
Briefing note: human resources actions taken for staff and families affected by bombing in Abuja	CEB/2011/HLCM/25
Security policy manual: road safety policy	CEB/2011/HLCM/17
Final programme criticality framework	CEB/2011/HLCM/18
Proposed implementation plan and budgetary arrangements for the programme criticality framework	CEB/2011/HLCM/18/Add.1
Final report on the study on common principles of results reporting	CEB/2011/HLCM-UNDG/1
Proposed plan for the operationalization of the common principles	CEB/2011/HLCM-UNDG/1/Add.1
Terms of reference of the High-level Committee on Management Subcommittee on Improving the Efficiency and Cost Control Measures of the United Nations System (phase 2)	CEB/2011/HLCM/15
Preliminary report of the High-level Committee on Management Subcommittee on Improving Efficiency and Cost Control Measures of the United Nations System (phase 2)	CEB/2011/HLCM/19 and annex I
Update on the implementation plan of the United Nations Development Group-Committee mission to identify country-level bottlenecks in business practices, as of September 2011	CEB/2011/HLCM-UNDG/2
Terms of reference for the project of harmonization of the vacancy advertisement and selection process at country level for General Service and National Professional Officer positions	CEB/2011/HLCM/21
Note by the Human Resources Network on the decisions taken at the seventy-third session of the International Civil Service Commission	CEB/2011/HLCM/24
Position paper on common treasury services	CEB/2011/HLCM/20/Rev.1
Task force on accounting standards IPSAS adoption progress report	CEB/2011/HLCM/22
Terms of reference of the harmonization of business practices project on collaborative procurement for vehicles	CEB/2011/HLCM/23
Basic components of a model policy framework for vendor sanction procedures	CEB/2011/HLCM/8 (reference material)

## **Annex III**

### **Statement by the Coordinating Committee for International Staff Unions and Associations of the United Nations System**

Madame Chair, ladies and gentlemen, let me begin by thanking HLCM for once again giving CCISUA the opportunity to speak with you. We are also grateful that the staff federations are invited to observe a number of agenda items. However, we believe that the situation could be further improved and nothing less than full inclusion in HLCM will be satisfactory, because, as we have said before, staff are involved in and will be ultimately responsible for implementing, everything that is discussed and agreed in HLCM.

I would like to take a few minutes now to provide you with the view of the staff represented by the various staff unions and association federated in CCISUA on the items that are being discussed at this session.

#### **The criticality of staff security**

United Nations staff members are more and more frequently called upon to work in dangerous and hostile environments around the world, thereby becoming targets of hostility and violent attack. The recent attack on the United Nations premises in Abuja is just the latest in a series of attacks directed against United Nations staff in Afghanistan, Algeria, Pakistan, Somalia and the Sudan, all of which have tragically resulted in numerous deaths and serious injuries. The growing number of incidents proves that the Organization is moving in the wrong direction on security. If we fail to learn from our mistakes and correct our policies, the tragedies of Abuja and elsewhere are certain to be repeated.

Although the General Assembly has invested heavily in staff security since the 2003 bombing of the United Nations headquarters in Baghdad, the United Nations staff and others question the security practices of the Organization, which have so conspicuously failed to prevent further deaths and serious injuries. Moreover, those responsible for such heinous acts must be sought and brought to justice by the Member States; very seldom are the perpetrators prosecuted, perpetuating the climate of impunity.

United Nations staff members know that the Organization cannot guarantee their safety and have always accepted a certain level of risk in order to serve the people of the world. What they do not accept is that programmes should take precedence over personnel and that they should be expected to work in environments where they frequently face injury or possible death. The United Nations has a moral obligation to ensure that all possible measures are taken to protect all of its staff members in all parts of the world where they are serving.

As the world situation has changed and more staff have become subject to dangerous assignments and hazardous working conditions, we believe that a comprehensive review is needed of the human resources policies of the Organization affecting serving staff members and the families of the dead. While we count the number of fatalities and injured, it is all too easy to forget the other affected staff members.

United Nations staff members are appalled by the lack of accountability of senior officials and the failure of the Organization to provide adequate security. They demand that concrete measures to protect them be taken immediately in order to avoid more such tragic incidents. United Nations staff members have a right to expect the leaders of this Organization to urgently address the shortcomings in the security management system and policies. It cannot be right that our current security management policies accept casualties and deaths as a routine part of programme delivery. Decisions regarding the security of staff must be independent of political and economic factors, including income from programme delivery.

CCISUA recognizes that the Organization faces considerable political pressure to deliver programmes rapidly and cost-effectively. We also recognize that people throughout the world deserve the support and assistance of the international community. However, programme delivery aimed at helping one group of people must not be at the cost of the lives of other groups of people. We have read with interest the report of the working group on programme criticality and remain concerned about the concept of acceptable risk and reiterate that for the United Nations it is important to have a clear idea of “when to leave” and not so much of “how to stay” at the cost of life of staff members. The Organization and the Member States need to ensure that staff members have the necessary resources to carry out their functions without facing undue risk, and to implement measures to address the security needs of staff working in dangerous and hostile environments.

CCISUA is pleased to report to HLCM that we are fully engaged at IASMN, where representatives are actively involved in the discussions on security and safety. At the recent IASMN members unanimously voted to include our direct participation in the armed private security contractors working group, this is welcomed by CCISUA as we believe it is a good example of transparent and inclusive problem solving allowing our concerns on this subject to be addressed.

Despite this involvement we believe more needs to be done and CCISUA associates itself with the request made to the Secretary-General to form a joint staff-management working group as soon as possible to identify and correct the flaws in the current security management policies and to review the security needs of the Organization. The Organization must reconsider the advisability of housing multiple agencies in common premises and examine the adequacy of security measures affecting national staff, air safety standards and many other aspects of staff security.

We have a duty to our own families, as well as to the families of lost and injured colleagues, to ensure that these tragedies do not happen again.

I would also like to inform you that at the end of this week I and other leaders of the staff unions and associations of the United Nations common system are going to Abuja to show our solidarity with the families of the victims and the survivors and to discuss ways to further impress on the Administration, Member States and the world the need to ensure the security and safety of staff members of the United Nations.

## **Human resources issues**

CCISUA participated in the 73rd Session of ICSC. We were disappointed by the attitude of Commissioners who were not open to suggestions from the

organizations or staff representatives regarding issues that should be taken into consideration when making decisions. Instead, the outcome seemed to be largely based on preconceived ideas regarding ways to undertake the deepest budget cuts (or realizing the greatest savings) that were sought by the General Assembly.

The Commission has made recommendations based on what it deemed “pragmatism” over clear, coherent, objective methodologies. Questionable decisions, many of them affecting the conditions of service of staff in the field, were taken with this approach.

On the mobility/hardship scheme CCISUA opposes de-linking it from the base/floor salary scale. CCISUA strongly criticizes the lack of transparency and objectivity in the Commission’s decision, which in effect makes no reference to the adjustment factors as required by the methodology, preferring a so-called “pragmatic approach”.

On rest and recuperation, among other concerns CISSUA expressed concerns on the proposed change in the accounting of the days from five working days to five calendar days. The decision was taken without any open debate or discussion. The ICSC would be de facto legislating for staff members’ weekends, which should be their time off. We consider this illegal and intend to challenge the decision if implemented.

CCISUA was disappointed with the considerable reduction in the number of duty stations due to the new criteria for danger pay, which was based on a number of subjective elements which would require clarification. However they welcomed the fact that this would be regularly — and not exceptionally — payable to qualifying locally recruited staff, who represented a majority of casualties in attacks against the United Nations. CCISUA has serious concerns about decisions related to the determination of non-family duty stations because of the lack of consideration of health and adverse living conditions.

CCISUA is also concerned about the reduction of incentives for service in the field at a time when in the Secretariat there are expectations of staff to be more mobile.

## **Mandatory age of separation**

The possible review of the retirement age provisions in the United Nations common system has been debated for some time and a number of arguments in favour of a review have been put forward. Some of the arguments, however, do not seem to be supported by the actuarial analysis. We believe it is important that financial and other arguments are carefully considered against the evidence of the actuarial evaluation and the informed opinion of the Pension Board.

The Staff Unions have expressed the view that the impact of any change in the current provision needs to be carefully considered before taking a decision. CCISUA (our Federation) and UNISERV launched (from mid-July to the end of August 2011) a survey to gain the staff’s perspective on the possible mandatory age of separation. FICSA carried out a separate survey but the three staff federations prepared a common position on this matter (see annex III.A).

A total of 8,237 staff participated in the survey and 88.2 per cent or 7,266 completed it. The sample is significant by statistical standards.

From the survey it is clear that staff support an increase in the mandatory age of retirement. However, this should be without prejudice to the acquired rights of those who are currently in the system to retire with full benefits at their current mandatory retirement age of 60 or 62.

In the survey organized by CCISUA and UNISERV, the majority of the staff do not disfavour an increase in the mandatory age of separation (70.9 per cent).

However, for just over half (52.8 per cent) such agreement is subject to maintaining the right to retire without penalty at 60 or 62 and having free choice about continuing to the age of 65.

About three quarters of the staff surveyed believe that the decision to continue to work beyond the current mandatory age of retirement should be made by the staff member. If not, it would be without parallel in any national system: in no other setting does the employer have the authority to grant or deny employment on a discretionary basis. A waiver under the sole authority of the Executive Head is considered arbitrary and unfair.

The Staff Unions believe that staff opinion must be carefully considered in all relevant forums in order to make decisions that respect the terms of employment valid at the time of recruitment and that provide staff with the essential financial security once they leave active service.

Finally, Madame Chair, let me end by thanking you again for the opportunity to address this gathering, and to remain for some agenda items. We will maintain our commitment to work with the different parts of CEB to foster a better environment for staff.

## Annex III.A

### **Joint statement on the mandatory age of separation by the Federation of International Civil Servants' Associations, the Coordinating Committee for International Staff Unions and Associations of the United Nations System and the United Nations International Civil Servants' Federation**

Review of the retirement age provisions in the United Nations common system has been debated for some time and a number of arguments in favour of a review have been put forward. Some of the arguments, however, do not seem to be supported by the actuarial analysis. Therefore it is important that financial and other arguments are carefully considered against the evidence of the actuarial evaluation and the informed opinion of the Pension Board. The Staff Federations reiterate their view that the impact of any change in the current provision needs to be carefully considered before taking a decision.

The staff federations have actively participated in the HLCM working group on this matter and carried out two surveys of staff — one organized by FICSA and the second one by CCISUA and UNISERV. The two surveys gathered the views of around 11,000 staff. Although there are differences in the surveys, the core questions on increasing the age of retirement are comparable and offer a good view of what staff think about a possible increase in the age of retirement.

From both surveys it is clear that staff support an increase in the mandatory age of retirement. However, this should be without prejudice to the acquired rights of those who are currently in the system to retire with full benefits at their current mandatory retirement age of 60 or 62. There was a strong call for the decision to work beyond 60 or 62 to be voluntary and decided by the staff member.

In the survey organized by CCISUA and UNISERV, the majority of the staff do not disfavour an increase in the mandatory age of separation (70.9 per cent). However, for 52.8 per cent of respondents such agreement is subject to maintaining the right to retire without penalty at 60/62 and having free choice about continuing to the age of 65.

Similarly, in the FICSA survey a slight majority support the increase to 65 (52.8 per cent). However, a significant share (39.1 percent) declared their disagreement and 8.5 percent had no opinion. Essentially, there is not an indication of an overwhelming support for the increase. The large number of negative or uncertain replies would suggest that a significant share of the respondents are satisfied with the current arrangements or, at least, cannot provide a clear answer in the absence of details concerning implementation.

It is manifest from the responses of staff that the decision to continue to work beyond 60 or 62 would need to be voluntary and at the discretion of the staff member. About 75 per cent of the staff surveyed by CCISUA and UNISERV believe that the decision to continue to work beyond the current mandatory age of retirement should be made by the staff member. If not, it would be without parallel in any national system: in no other setting does the employer have the authority to grant or deny employment on a discretionary basis. A waiver under the sole authority of the Executive Head is considered arbitrary and unfair.



Moreover, CCISUA wishes to reiterate its long standing position that, while there are arguments for an increase in the mandatory age of retirement (longevity, trends in the Member States, potential savings, etc.), there are also concerns that an increase in normal retirement age would negatively impact the United Nations system's efforts to rejuvenate. Also, it should be clear that increasing the age of retirement will not resolve the problem of succession planning in organizations that is a sine qua non for effectively addressing the complex challenges facing the system. The fact that this planning is not in place raises serious questions as to whether the proposed solution of increasing the mandatory age of separation will have the intended positive impact, and whether negative consequences could outweigh possible benefits.

The staff federations believe that staff opinion must be carefully considered in all relevant forums in order to make decisions that respect the terms of employment valid at the time of recruitment and that provide staff with the essential financial security once they leave active service.

7 September 2011

## Annex IV

### **Statement by the Federation of International Civil Servants' Associations (supported by the United Nations International Civil Servants' Federation)**

FICSA would like to start its statement by acknowledging the difficulties you are confronting in the current financial climate. In these circumstances, we feel that solidarity and mutually agreed solutions would be the best way to go: one suggestion we would like to make from the start is that staff losing their jobs due to the financial crisis should be considered as internal candidates for positions in other organizations in order to do our best to keep good people in the system. We would be interested in receiving your views on this proposal.

Our biannual appointment with the HLCM is always preceded by intense debate across our membership. Each year, at the time of reporting to our Council about our dialogue, we are regularly asked for an assessment of the effectiveness of our interaction with you. The 21st meeting, last March in Paris, could be considered as a first, tentative step to establish better channels of communication. The mere fact that we are here today is proof of our willingness to pursue such a goal and trust to find a similar approach on your part.

The discussion on the terms of reference of our dialogue is still ongoing and a lot has still to be achieved. Let us provide an example. The draft terms of reference quote: "staff federations are invited on ad hoc basis by the Secretary of HLCM, in consultation with the Committee's Chair and Vice-Chair, to participate in an observer capacity in the discussion on subjects on the regular agenda of HLCM, on concerns of a system-wide nature that are of particular interest to the staff". In principle, such text could be taken as a promising sign. However, if we look at the current interpretation, it means that in the capacity of observers, the staff federations are not party to the positions adopted by the Committee nor present during the HLCM decision-making process. In essence, we are excluded from the substantive part of the discussions.

In addition, we need to understand what is meant to be covered under the definition of "concerns of a system-wide nature that are of particular interest to the staff". At this current session of the HLCM, our participation in discussions on item 6: Improving the efficiency and the effectiveness of the United Nations common system, is not foreseen. Isn't this issue the core of staff/management relations today? Isn't the debate on "how to do more with less" of particular interest to staff?

We were informed in document CEB/2011/HLCM/14, prepared by the subcommittee on improved efficiency and cost control measures, of a number of areas earmarked for "quick and high yielding actions", including a whole range of high priority measures in the area of human resources management. Such measures range from the review of staffing levels to the increased use of outsourcing-offshoring, and from the freeze of vacant posts to active soliciting of agreed separation. Not only are these issues of particular interest to staff and their representatives, they also represent the main cause of concern, since no aspect of our working life is potentially immune from their effects. Hence, we reiterate our plea for inclusion in discussions on your agenda item 6.

The same document attributes to the measures in the area of human resources management an “important cost-saving impact, given the high proportion of staff cost in United Nations organizations”. Are we expressing an unreasonable concern at such statement? Should we just keep silent and accept that the staff, i.e. the fundamental resource of the international civil service, is looked at substantially as a disproportionate cost?

The financial crisis affecting several economies in the developed world is driving a domino effect that could easily run out of control and we ask you to exercise caution in making irreversible changes based on the current circumstances. We have gone through periods like this before (notably during the oil crisis in the mid-1980s) and the tide eventually turned. Staff should not be made to bear the burden of cost-saving initiatives or “efficiencies”. Every effort should be made to safeguard our conditions of employment. We are willing to work with the administrations to develop mutually acceptable solutions, but we stress that staff need to be recognized as a partner in the process and their views respected.

Last year, in the name of harmonization, allowances for staff in specialized agencies, funds and programmes serving in non-family duty stations were revised and reduced. The full effects of such changes have still to be assessed, but in the meantime additional reductions in rest and recuperation provisions will be submitted to the attention of the General Assembly. This year, in the name of “pragmatism”, the methodologies to establish salaries or allowances, including those for mobility and hardship, have been modified or applied in an extremely conservative fashion.

We may easily understand how the Member States, particularly those most affected by the crisis, may find these measures very attractive from the financial side; however, we should not lose track of the human resource side of the equation. In this respect, the recent review of the personnel working on non-staff contracts is a very informative descriptor of the situation: the average use of non-staff contracts in the United Nations system is at 45 per cent, with peaks above 70 per cent. The comparison with an average use of 11.6 per cent of temporary employment in OECD countries is striking. It means that the United Nations has gone far beyond an acceptable level of non-staff use by any common standard. Isn't this alarming to you? Is this international civil service, composed of a patchwork of categories of staff, governed by different rights and conditions, going to best serve the interests of the Member States?

The United Nations common system is deploying staff in many dangerous areas and they are increasingly exposed to malicious acts, including terrorism. We all share the same dismay and grief when our colleagues lose their lives in the performance of their duties. However, we should not forget that non-staff categories are entitled to compensation “under their respective insurance plans”, hence they will be compensated under MAIP “if applicable”. Based on the information available, we can enumerate at least 30 different types of non-staff contract currently in use: we all serve under the same flag, but we are certainly not allowed the same safeguards.

The Human Resources Network will be asked, under this item, to look at the financial implications of the review. We would like to see the ethical and the functional implications considered as well.

This issue leads us to spend a few words of appreciation for the action conducted by UNDSS to protect our safety and security. No easy task, but we find the approach adopted to-date very open and receptive of staff concerns. Recent events have demonstrated the need for efficient management of critical situations and FICSA wishes to call again your attention to ensure that appropriate, updated training is made available to staff, irrespective of their contractual status. We have been advocating for many years the enhancement of security measures for local staff, particularly in case of evacuation. In many cases local colleagues left behind are the most exposed to danger. Therefore we shall follow with extreme interest the discussions on the programme criticality framework, an issue on which we receive frequent requests for clarification. It is intended to determine who stays and who leaves: staff definitely need to understand how it is going to work.

On another issue we look with interest at the project for harmonization of vacancy advertisements and selection processes at the country level for General Service and National Professional Officer positions. The aim is commendable; based on past experience with the mobility policies, we wonder how certain barriers will be overcome. The management style of organizations is not uniform; the approach to post classification and organizational structure is quite diverse. We are pleased to see that staff federations will be involved in the project and stand ready to cooperate.

Before concluding, let me briefly recall our interest and active participation in the ongoing discussions on the mandatory age of separation. The staff federations conducted a survey on this subject and the response yielded from FICSA's constituency show a split opinion among staff: only a slight majority (52.8 per cent) would support an increase to 65 years, although there was a substantial consensus on the need to respect the conditions of employment of the staff already on board on the date of implementation. In essence, while the increased MAS would be applicable for new recruits, it should be opted for by serving staff on a voluntary basis. Some organizations successfully applied a similar approach when MAS was raised from 60 to 62 years and we should look at that experience as a model.

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