



MUTUAL RECOGNITION STATEMENT

FREQUENTLY ASKED QUESTIONS | April 2025

1. Why “mutual recognition”?

In Resolution [71/243](#), the UN General Assembly called for entities within the UN Development System to “*operate according to the principle of **mutual recognition** of best practices in terms of policies and procedures, with the aim of facilitating active collaboration across agencies and reducing transaction costs for Governments and collaborating agencies.*”

2. What are the principles of mutual recognition?

Mutual recognition allows a UN entity to use or rely on another entity’s policies, procedures, system contracts and related operational mechanisms for the implementation of activities without further evaluation, checks or approvals being required.

Signatories to the Mutual Recognition Statement commit to apply, to the greatest extent practicable, the principles of mutual recognition in respect of the administration and implementation of their entity’s activities.

3. What is meant by the “Mutual Recognition Statement”?

The Mutual Recognition Statement represents a broad consensus on adopting common or shared services, without requiring a review of the providers’ policies and procedures.

The Mutual Recognition Statement has been signed by the UN Secretariat as well as 23 other entities - FAO, ILO, IOM, ITU, UN Women, UNAIDS, UNDP, UNEP UNESCO, UNFPA, UNHCR, UNICEF, UNOPS, UNRWA, WFP, WHO, IFAD, ITC, UNIDO, UN-Habitat, ICAO, WMO and UNFCCC.

Other UN entities are encouraged and expected to participate by signing the Statement, the provisions of which would take immediate effect.

The joint statements can be found on the Chief Executives Board’s website at: <https://unsceb.org/mutual-recognition>

4. What are the benefits of mutual recognition?

Mutual recognition can increase the agility of operations and remove barriers to collaboration that result from inconsistent or incompatible policies, rules and procedures among UN entities. Implementing mutual recognition can also:

- Simplify and foster inter-entity service delivery;
- Enable deeper forms of collaboration and integration between UN entities worldwide;
- Allow entities to use the optimal contracts and services of other signatory UN entities (assuming third-party consent);

- Increase efficiency by avoiding the duplication of activities, e.g. re-publishing procurement notices, double-auditing, or re-signing of individual entity contracts;
- Function as a critical enabler for the creation of *common back offices (CBO)* and a network of *global shared service centres (GSSC)*.

5. How does mutual recognition increase agility?

For example, if a UN entity wants to lease a vehicle from another UN entity, it will establish a Service Level Agreement (SLA) to order the vehicle through that entity's global vehicle leasing program.

Mutual recognition can significantly simplify the SLA process as the recipient entity would not have to undertake, under its own rules, a separate review of the providing entity's leasing program to sign the SLA. This dramatically reduces duplicative and bureaucratic processes required to establish SLAs.

As a second example, one entity could request another entity to recruit a local consultant on its behalf. The requesting entity can decide to use mutual recognition principles as a basis for entering directly into a consultancy agreement without having to perform, under its own rules, a separate hiring process or evaluation.

6. What is the scope of the Mutual Recognition Statement?

According to the Mutual Recognition Statement, the signatory organizations are committed to implementing mutual recognition in the following specific areas in the context of the *Business Operations*

Strategy (BOS) at the country level and the initiatives of the *Business Innovation Group (BIG)*: finance; human resource management; information and communications technology; logistics; procurement; and administration, including facilities management. Each signatory entity is free to implement mutual recognition principles in additional areas and settings.

The Mutual Recognition Statement does not apply where an entity is not a signatory to this document.

7. Is the Mutual Recognition Statement an administrative rule?

No. Each organization that is a signatory to the Mutual Recognition Statement must follow its rules and procedures for putting into effect the mutual recognition principle.

8. How can signatories go about implementing mutual recognition at the organizational level?

There is no single or definitive way of implementing mutual recognition. The executive leadership of an organization might choose to adopt a policy, guideline or general administrative instruction to authorize the entity's managers at regional or country level to apply mutual recognition in defined areas of work.

Such an administrative issuance may include a list of specified business practices that are 'pre-approved' by the executive leadership for mutual recognition. In such circumstances, heads of office at regional or country level would thereby be authorized to use the policy or procedure of partner UN entities to achieve results faster and more efficiently.



For business practices not included in such issuances, managers may be encouraged to make additional requests for mutual recognition which could be submitted to Headquarters for approval on a case-by-case basis.

What is clear is that a strategic approach to implementation at the organizational level enhances staff members' understanding of the mutual recognition principles and increases the range of benefits that can be realized.

9. What is the impact of the Mutual Recognition Statement on piggybacking on other entities' procurement LTAs?

'Piggybacking' is an established form of UN system cooperation in procurement that is grounded in the UN Financial Regulations and Rules and involves one entity using another entity's contracts with vendors of goods or services. Mutual recognition principles may benefit 'piggybacking' by enabling entities to reduce further procurement review processes where it is founded on UN-system cooperation.

Mutual Recognition Statements do not automatically change established practices between organizations, including the practice of obtaining the authorization of the contracting entity. Each organization would remain responsible for determining which rules or decisions are necessary and may explore flexibility in direct contracting with vendors selected through UN-system cooperation.

For example, UNHCR applied mutual recognition by revising Administrative Instructions to simplify submissions made for and the processing of "UN system

cooperation-based procurement." As a result, if the relevant procurement function determines that the simplified submission is in accordance with the entity's rules, then it shall be approved and the relevant contracts committee merely notified, "without further evaluation, checks or approvals".

10. If an organization doesn't have a policy (for example, an asset disposal policy), can the organization now just take another entity's policy and implement it as is?

No. The Mutual Recognition Statement, on its own, would not allow staff of one organization to take actions and to make commitments solely by reference to another organization's policies. The organization would need to adopt an internal administrative instruction or issuance that adopts the other entity's policy as its own. But mutual recognition does represent an acknowledgement that the policies and procedures of UN entities are of a high standard; therefore, the adoption of best practices, including other entities' policies, in a holistic way is further enabled where appropriate.

11. Are oversights and controls still necessary in implementing mutual recognition?

Yes. The Mutual Recognition Statement does not eliminate an organization's control and oversight measures when it comes to expending funds and resources. The Mutual Recognition Statement emphasizes that actions and commitments undertaken based on mutual recognition principles must still be subject to sound financial and internal control systems. These systems should ensure that funds are used for the purposes intended, with due attention to considerations of

efficiency and effectiveness, and be reviewed by internal and external auditing arrangements in line with the single-audit principle. Appropriate mechanisms for mitigating and addressing fraud and corruption must also be in place, and specific measures (such as capacity strengthening) introduced to mitigate identified risks and weaknesses in financial and internal control systems.

12. What about an audit performed by another entity on a third party service provider?

The Mutual Recognition Statement includes a recognition of another entity's auditing under its policies and procedures. This could allow a UN entity to rely on audits of a third-party service provider by another entity.

13. How can the Mutual Recognition Statement help me in the field?

The Mutual Recognition Statement is a practical tool that can be applied at the field level to strengthen and streamline business operations. To optimize the use of this tool, signatories might choose to adopt a policy, guideline or general administrative instruction to authorize the entity's managers at regional or country level to apply mutual recognition in defined areas of work

Examples of potential areas of implementation where we could expect increased quality, efficiency and effectiveness include but may not be limited to the below.

Administration and facilities management

- Centralized vehicle pool management
- Vehicle maintenance and services
- Sharing office or accommodation premises and services (security, cleaning, IT, etc.)

- Travel services (hotel agreements, rates, etc.)
- Insurance (office, cars, equipment, cash, etc.)
- Asset management services

Finance

- Accounting, submission and tracking of VAT reimbursement
- Banking agreements (incl. money transfers)
- HACT micro-assessments and assurance activities

Human resources

- Staff recruitment and common rosters
- Staff secondment or loans
- Reference checking for recruitment
- UN medical and counselling facilities, doctors' rosters

Information and communications technology

- Telecommunications (satellite, mobile or fixed telephone, internet service providers, etc.)
- IT system back-up / recovery centres
- Global ticketing / help desks systems

Logistics

- Warehouse and inventory management
- Third party freight forwarding
- Common service for customs clearance
- Fuel management

Procurement

- Vehicle purchases and leasing
- Vendor roster and management
- Contracts with airlines
- Leveraging better terms and conditions of another entity's contract (through accessing volume discounts by combining purchase volumes etc.)