



CEB

UN System Chief Executives Board for Coordination

HLCM Mutual Recognition Coordination Group

Frequently Asked Questions

What does an agency need to keep in mind when implementing Mutual Recognition?

Mutual Recognition is the commitment of UN entities to use or rely on other entities' policies, procedures, system contracts and related operational mechanisms for the implementation of activities without further evaluation checks or approvals being required, to the greatest extent practicable.

Mutual Recognition is not the same as harmonization of policy frameworks, nor is it the same as simply adopting another UN organization's policies or procedures, as these always need to be adjusted to the agency context and formally promulgated under the administrative regulations and rules.

If an agency intends to make use of another agency's policies and procedures, system contracts and/or Long-Term Agreements (LTAs), Service Level Agreements (SLAs) and related operational mechanisms for the implementation of activities, without further evaluation checks or approvals being required, to the greatest extent practicable, this must be done in an organized and coherent manner under a sound governance framework. Agencies must avoid a situation in which individual staff are making unauthorized choices about which rule book to follow, since this will become chaotic and lead to a breakdown in the management control environment.

Mutual Recognition needs to be managed and deliberate: there needs to be a clear delegation of authority to a decision maker, and a clear, authoritative, and documented decision by the decision maker about which approach is being followed when invoking the Mutual Recognition principle.

How does Mutual Recognition increase agility?

Mutual Recognition increases agility by enabling an organization to access existing resources (e.g. contracts, rosters) or recognize completed processes (e.g. mandatory training, background checks) or avail of a service provision (e.g. administration, finance, HR, IT, logistics and procurement services) without the need to repeat the process to set up those resources in the first place. It provides opportunities to leverage resources in a timely and cost-effective manner.

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 and drastically enhances inter-agency collaboration and UN system efficiency.

As a second example, one entity could use another entity's roster to recruit a local consultant. 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 evaluation process.

What is the scope of the Statement of Mutual Recognition?

According to the Statement of Mutual Recognition, 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, the Global Shared Services (GSSs) at the global level and the initiatives of the Business Innovation Group (BIG): finance; human resources; 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 and is encouraged to promote it at all levels of the entity.

The Statement does not apply where an entity is not a signatory of Mutual Recognition.

The scope of mutual recognition spans over the entire spectrum of the efficiency agenda initiatives and serves as an enabler for the implementation of Business Operations Strategy (BOS), Common Back Office (CBO), Global Shared Services (GSS) and Common Premises (CP).

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.

How can signatories go about implementing Mutual Recognition at the organizational level?

Being at its early stage of development 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 global, 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 'preapproved' by the executive leadership for Mutual Recognition. In such circumstances, heads of office at global, 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.

In addition, specific policy and guideline documents could be revised to include a reference to the use of Mutual Recognition to facilitate its operationalization.

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.

What is the impact of the Mutual Recognition Statement on piggybacking on other entities' procurement Long-Term Agreements (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." Similarly, the UN Secretariat raised the delegation of authority of heads of UN Secretariat entities for cases of cooperation.

Another example is that a section in their Procurement Manual established as a framework for cooperation with UN entities, ensuring proper understanding on Mutual Recognition and setting the space for her collaboration. The purpose of the section is to provide the policy and procedures for UNOPS' procurement cooperation with other entities of the United Nations System. It should be complemented with the guidance document "Common UN Procurement at the Country Level" published by the United Nations High Level Committee on Management (HLCM) Procurement Network.

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".

In case the volumes of goods and services required are substantial, UN entities could collaborate to leverage their collective negotiating power for securing more favorable prices instead of resorting to piggybacking on existing LTAs.

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.

Nevertheless, 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.

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.

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.

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 facilitate inter-agency collaboration and to avoid duplication of efforts.

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 within the delegated authority, at regional or country level to apply Mutual Recognition in defined areas of work.

Can Mutual Recognition be associated to a charge by the source Organization?

While Mutual Recognition aims at increasing efficiency by encouraging cooperation and leveraging existing resources, there could be instances when enabling another UN Organization to apply the mutual recognition principle to a resource (e.g., contract, roster) triggers a full cost for the originating Organization. In such cases, a cost recovery aligned with the Costing and Pricing Principles is applied.

How can I raise awareness of Mutual Recognition in the field?

The Mutual Recognition statement with its updated signatories, guidelines, FAQs and presentations can be found at xxxxxx.un.org.

How can we access recruitment rosters?

Please contact unmrr@un.org for information on how your organization can participate in the Mutual Recognition of Rosters.