

ATTACHMENT 2



UNITED NATIONS SYSTEM

CEB

**Chief Executives Board
for Coordination
Second Regular Session for 2013**

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**Conclusions of the Twenty-sixth Session of the
High Level Committee on Management (HLCM)**

(Geneva, 10-11 October 2013)

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Introduction

1. The High Level Committee on Management held its twenty-six session at the UNOG Palais des Nations, Geneva, 10-11 October 2013. The meeting was chaired by the Committee's Chairperson, WIPO Director General, Francis Gurry, and Vice-Chair, UNAIDS Deputy Executive Director, Jan Beagle.

Adoption of the agenda

Documentation:

- ✓ CEB/2013/HLCM/8 – Provisional Agenda
- ✓ CEB/2013/HLCM/8/ Add.1 – Programme of work
- ✓ Checklist of Documents

2. The agenda as adopted by the Committee is reflected in the table of contents.
3. The complete list of participants is provided in Annex II.
4. The checklist of documents is in Annex III. All documents related to the session are available on the CEB website at: <http://www.unsceb.org/content/october-2013-0>
5. The programme of work was structured following the new working methods of the Committee, i.e. without reports from the Networks, and without an agenda item called “dialogue with the staff”. The Staff Federations were invited to attend, as observers, the discussions on agenda items of direct relevance to the staff, and to offer their contributions during the substantive discussions of such items. Any written statements provided by the Federations would continue to be annexed to the final report of the meeting.

I. Performance Management

Documentation:

- ✓ CEB/2013/HLCM/HR/9 – UNOPS Pilot Project on Rewards, Recognition and Sanctions
- ✓ Presentations by keynote speakers

6. The Chair welcomed Mr Jan Matsson, the Executive Director of UNOPS, who presented the organization's pilot project on rewards and recognition. In 2011, UNOPS, with the agreement and support of the ICSC, introduced an innovative pilot programme for rewards, recognition and sanctions, which is closely linked to organisational and individual performance, and designed to increase the effectiveness of performance management across the organisation. UNOPS recognition policy has the overall aim to reinforce performance management with meaningful consequences and to enable managers to recognise and reward excellence. It comprises three elements (a) Merit rewards, which are performance-related financial rewards; (b) Recognition awards, which are corporate awards to recognise the achievements of specific teams or individuals in various categories; and (c) Performance-related sanctions which are designed to address underperformance on an individual basis.

7. Throughout the pilot, UNOPS has conducted various internal evaluations to assess the impact of the policy on three key areas, namely performance management; staff satisfaction and motivation and awareness of organisational goals. Among those assessments is an external evaluation through Price Waterhouse Coopers (PWC). The findings of this evaluation noted that the policy has been well received by the majority of UNOPS workforce, and has had a positive impact on significant elements of the performance management process: rating distribution, performance management compliance and senior management support. In this sense, the pilot has created an environment where the foundations of sound performance management are in place and where, at the same time, there is an increased awareness of organisational goals across the organisation. In conclusion, UNOPS experience is that by introducing this pilot, the performance management framework has become more solid, robust and meaningful.

8. Ms Anne-Birgitte Albrechtsen reported to HLCM on UNFPA's performance management system, with a particular focus on the management of underperformance. She pointed to the following success factors for managing underperformance (1) a solid and mature system with consistent ratings, (2) a systematic approach to managing underperformance, (3) sustained efforts and support for both staff and managers, and (4) holistic and innovative practices and communication. In the context of UNFPA's system, underperforming staff members are given appropriate opportunities for training and development. Should those measures not bring sufficient improvements, clear policies for the non-renewal of contracts on the grounds of performance exist, and are consistently applied in a due process.

9. Ms Albrechtsen illustrated that the organizational performance management process is increasingly supported by high quality data on rating distributions per organizational units and rating patterns of managers, to inform further steps towards management support and increased rating consistency. She also underlined the importance of multi-rater feedback, in order to ensure the comprehensiveness of performance evaluations, as well as to address cultural and communication challenges. Performance discussions are encouraged to take place throughout the year and not only at regular and formal deadlines. This approach avoids surprises in formal performance discussions and can therefore reduce potential conflicts on the matter, which are dealt with through a strengthened and accelerated internal rebuttal process.

10. In the subsequent discussion, organizations stated their appreciation for the valuable sharing of experiences by UNOPS and UNFPA. Several stressed the importance of senior management engagement and of the robustness of the appraisal process. The robustness of related administrative processes and adequate legal support were mentioned as indispensable success factors for the implementation of any performance management model. The Legal Network offered its support in this regard.

11. Staff Federations highlighted the need to better link performance management to other aspects of the performance management framework such as career development, effective selection and promotion procedures, induction/socialization programmes. They welcomed the upcoming ICSC Compensation Review as an opportunity to explicitly recognize performance and establish appropriate linkages with staff compensation. They also raised concerns that, with the increasing utilization of non-staff contracts, consistent performance management practices would be compromised, and they expressed their reservations regarding the application of Bell-curve-compliant or other forced performance rating distributions. The Federations pointed out that performance management was a core issue for them as well and reiterated their request to be included in the HR Network Working Group on Performance Management.

12. Several organizations discussed how to get to a broader notion of performance management, rewarding excellence over satisfactory performance. The need to expand performance management into a meaningful staff development process was mentioned. In this respect, the use of professional certifications for internationally recognized standards in various occupational groups was referred to as an avenue worth exploring further.

13. The Medical Directors' Working Group highlighted that performance-related discussions often offer an opportunity to bring to light previously hidden health issues – both physical and psychological. As psychosocial and stress-related disorders have increased significantly, the Medical Directors offered to develop guidelines and other pertinent support for line managers to better recognize such health problems. This offer was unanimously welcomed by participants. During the following broader discussion on issues related to medical conditions, several organizations expressed a request for the HR Network to work closely with the Medical Directors' Working Group on reviewing the process and approaches of managing sick leave.

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14. Reaffirmed its strategic priority to focus on the development of an organizational environment that motivates staff, recognizes good performance, strengthens linkage to career development, and sanctions poor performance.

15. Confirmed the commitment of member organizations to use the recently devised pilot projects as reference frameworks in their respective organizations' efforts to develop performance management and reward recognition schemes;

16. Welcomed the offers for support by the Legal Network and the Medical Directors Working Group to the efforts by organizations in this domain, and requested the Working Group on Performance Management to engage with the Legal Network and with the Medical Directors on staff health & safety issues in general and their interface with performance management in particular.

17. Requested the Working group on Performance Management of the HR Network to continue its work towards supporting the implementation of the HLCM's strategic objectives in this area.

18. Expressed appreciation to UNOPS and UNFPA for their insightful presentations.

II. Status of action on the new HLCM Strategic Plan and Results Framework

III. HLCM's response to the QCPR

Documentation:

- ✓ *CEB/2013/HLCM/2 – HLCM Strategic Plan (14 March 2013) (for reference)*
- ✓ *CEB/2013/HLCM/10 – Results Framework as of 20 September 2013*
- ✓ *CEB/2013/HLCM/11-A-B-C-D – Briefings on the work of HLCM Networks and IPSAS Task Force*
- ✓ *CEB/2013/HLCM/12 HLCM action plan in response to General Assembly resolution 67/226 on the QCPR*

19. At its 25th session in March 2013, the HLCM approved its Strategic Plan for 2013-2016, outlining the priority objectives for the Committee and its networks for the next three to five years. Among the key drivers of the HLCM Strategic Plan, are the mandates set by the General Assembly in its resolution 67/226 on the Quadrennial comprehensive policy review of operational activities for development of the United Nations system, the QCPR. The Results Framework that was developed to operationalize the objectives set out in the Strategic Plan outlines the responses by HLCM to the QCPR mandates, as also summarized in the HLCM action plan in response to the QCPR (CEB/2013/HLCM/12).

20. The expectations of Member States towards a timely and comprehensive delivery on the operational mandates of the QCPR was reconfirmed in the ECOSOC Operational Activities Segment concluded last July, with the adoption of resolution E/2013/L.17 on Progress in the implementation of the QCPR resolution. The resolution reaffirmed the mandates of the QCPR and called for the timely and full implementation of the QCPR by the UN funds, programmes and specialized agencies. ECOSOC emphasized the importance of a coherent monitoring framework for the QCPR, which should be robust, evidence-based, and cost-effective while imposing minimum reporting burden on governments and the UN system.

21. In the opening of the discussion, the Committee was addressed by Mr Thomas Gass, ASG for Policy Coordination and Inter-Agency Affairs, on the monitoring framework for the QCPR, which is being developed through a consultative approach under the leadership of DESA and the UNDG, with the full involvement of HLCM. The objective of this exercise is to ensure that the QCPR is fully tracked, leading to the first report on the monitoring framework that will take place at ECOSOC in February 2014. The aim for the ECOSOC session is to be able to report on what initiatives have been initiated and where implementation can be expected at a later stage.

22. Mr Gass emphasized that the ambitious deadlines and requests set out in the QCPR reflect the view of Member States that an intensified effort is needed to make progress in harmonization and simplification of business practices.

23. In the ensuing discussion, the Committee agreed that the QCPR mandates in the area of operations for development are very ambitious and that the development of an adequate response by organizations needs to be given the necessary priority. While moving ahead, it will be necessary to cater for the different business models of member organizations, which in turn respond to different mandates which often include, but are not limited to, operational activities for development. The appropriate focus will need to be placed on coordination and harmonization of business practices and corresponding regulatory and policy frameworks, as well as on their unification, while always and accurately assessing the costs and benefits of the different approaches.

24. The HLCM then proceeded to review the on-going initiatives for all the Strategic Plan priority areas, also highlighting their linkages with the relevant QCPR mandates. The Committee noted that HLCM offers a useful platform for member organizations to devise and implement the appropriate response to the QCPR operational mandates that require policy coordination and headquarters' engagement. HLCM aims to report back to the CEB in line with the timeframes identified in the QCPR, for the Secretary General to be able to meet his reporting requirements as identified in the resolution.

25. The direct linkage established between the HLCM Strategic Plan and the QCPR was welcomed as a useful approach to ensure that the Committee and its Networks deliver on the mandates set out in the resolution. Continuing coordination with the UNDG needs to ensure consistency of action with country-level operational activities that fall under the purview of the Group. In this regard, the Committee also welcomed the continued engagement of the HLCM in the monitoring framework discussions led by DESA.

Priority A. Attracting and Retaining Talent

26. Under the first priority area identified in the HLCM Strategic Plan, there are activities that respond to the QCPR mandates related to unified set of rules, regulations, policies and procedures, to common services and to inter-agency frameworks for support services (paragraphs 154 and 155). The work by HLCM in this area has a focus both at the country level and at the headquarters level, primarily through the engagement with the ICSC in its work on the Review of the UN system compensation package, the progressive elaboration and implementation of the inter-agency mobility agreement, the pilots for harmonized recruitment approaches at the field level (and expected further developments at the global policy level), and the coordinated design and implementation of performance management and reward recognition frameworks .

Priority B. Re-designing and innovating UN business models

27. The second priority area in the HLCM Strategic Plan is where the bulk of the work related to the QCPR takes place. It focuses on common and shared services, either through a lead agency approach, or a UN service centre, or through outsourcing modalities; on improved common procurement practices, and on other initiatives to improve efficiency and effectiveness of the UN system. The actions under this priority respond to the QCPR mandates on rationalization of business operations, inter-agency frameworks, establishment of common support services and greater collaboration in procurement (paragraphs 153-156). The feasibility study on ERP inter-operability launched under the aegis of the ICT Network also falls under this priority area and is a direct response to paragraph 160.

28. The following initiatives are currently underway:

- a) The Procurement Network has initiated a number of projects on the enhancement of common services, such as the common procurement of vehicles led by UNDP as well as the location-based procurement collaboration in Geneva, Rome, New York and Copenhagen.
- b) Business Operations Strategy - the HLCM is working closely with the UNDG to address any headquarters obstacles to the implementation of the Business Operations Strategy, as a direct response to the QCPR 140 regarding the "support to programme countries that have adopted the

“delivering as one” approach. Furthermore, in close coordination with the UNDG, the HLCM has supported training programmes by the UN System Staff College that introduce the BOS to UN Country Teams.

- c) Several initiatives funded under the Plan of Action for Harmonization and Simplification of Business Practices (HBP), and notably A) the Common Treasury Services project, which continues to deliver concrete results, with increasing buy-in across the UN system, in the four focus areas of Banking Services, Investments (including Risk Management), Foreign exchange and Payments; and B) ASHI - the harmonization of the management of the After Service Health Insurance (ASHI).
- d) The implementation of IPSAS by the UN System is almost complete and represents a very significant milestone towards the increased transparency and harmonization of financial practices within the UN System.

29. The Committee members were also informed that the request from the Procurement Network for decisions regarding their work would be circulated electronically for approval.

30. Regarding the countries piloting the “Business Operations Strategy”, including Brazil, the Committee felt that empirical evidence on the outcome of the pilots and a comprehensive cost-benefit assessment, subsequent to their implementation, were needed before any decision on a global roll-out is taken.

31. Committee members also discussed the value of establishing common service centres at three different levels (country, regional and global), and some organizations indicated that it may be necessary to review the practicality of implementing this approach at all three levels at a later stage with Member States, given the potential linkages with ongoing intra-agency rationalization of business processes.

Priority C. Supporting the second phase of Delivering as One

32. As the General Assembly has endorsed the continuation of the Delivering as One process, the UNDG has created Standard Operating Procedures for countries that wish to implement the Delivering as One approach, while recognizing that “not one size fits all”. However, as some of these requirements necessitate system-wide action, the HLCM has included in its Strategic Plan actions that require its attention to enable the UNDG and country offices to become Delivering as One countries. These actions respond to mandates related to pursuing more efficient and cost effective support services, and to the identification of and response to challenges and bottlenecks to cooperation in field operations (paragraphs 152, 137, and 140).

33. The work by the Procurement Network previously mentioned and related to joint procurement teams in the field responds directly to this need. Through this work inter-agency collaboration to achieve efficiency gains has been made easier and the Network reports that all obstacles to collaboration in the area of procurement have been removed. This is also in line with the directions of the Standard Operating Procedures for business operations, which require joint procurement teams to be established.

34. Furthermore, in the area of Human Resources, the UNESCO-led project on local staff recruitment will also remove obstacles to implementing the Standard Operating Procedures, by enabling UN country teams to rationalize their recruitment processes through collaboration and capacity sharing, leading to the streamlining of the hiring process for national staff.

35. The Co-Chair of the UNDG working group on Resident Coordinator Issues briefed the Committee on progress made towards the strengthening of a) the Management and Accountability system; b) the Resident Coordinator assessment center; c) the Resident Coordinator performance appraisal; and d) updating the Resident Coordinator Job Description, including guidance note. One Committee member underlined the need for a strong link between RC performance assessment and adherence to the Management and Accountability system, including the firewall function.

Priority D: Strengthening the risk management and oversight architecture

36. The work launched by HLCM under the fourth priority area in the Strategic Plan offers a targeted response to the QCPR mandate towards ensuring coherence and complementarity in the oversight function in the UN (paragraph 167). The expected outcomes include a proposal for a common reference model for risk management, oversight and accountability for the UN system, aimed to improve the relationship with Member States on the level and quality of controls in place in the organizations to allow for rationalized oversight that focuses on key risks.

37. Such a reference model would also enable member organizations to showcase the considerable achievements made in the past few years by the UN System in the areas of controls, risk mitigation, transparency and accountability (including through the implementation of ERP systems, IPSAS, Audit Oversight Committees, Statements of Internal Controls, etc.).

38. Substantive work toward the achievement of this goal has started under the leadership of UNFPA, UNESCO and UNOPS, also benefitting from the input and advice by UN-RIAS. The first step in this process was the launch by the CEB Secretariat of a stocktaking survey of the current models in place. The pilot agencies in this exercise are: UNFPA, UNOPS, UNESCO, WFP, UNDP and WIPO. The next step of the project will be the launch of a second and comprehensive round of surveys, so as to produce a reference model to be presented at the fall 2014 session of the HLCM.

Cyber-security

39. Noting the importance of cyber-security for all agencies, as also reflected in the HLCM Results Framework, the Chair welcomed the ICT Network representative to brief the Committee on progress in this area. The Chair also welcomed, via teleconference, the World Bank Vice President and Chief Information Officer, Ms Stefanie von Friedeburg, along with the World Bank Chief Information Security Officer, Mr Clay Lin.

40. The ICT Network representative thanked the Committee for the opportunity to highlight the key activities taking place within the Network as they relate to the implementation of the HLCM Strategic Plan for “*coordinated work in the area of crisis preparedness and response, business continuity and cyber-security*” and the “*considerable common ground with respect to how to best protect ourselves from business disruptions and security threats*”. Emphasizing the growing importance of information security, it was noted that during the GA General Debate, several Heads of State called upon the United Nations to take action to address information security, and that the United Nations Secretary-General had recently appealed to Member States to respect international laws and treaties after it became public that some Member States had gained unauthorized access to the UN video conferencing system.

41. ITU informed the Committee that a “UN-wide framework on Cyber-security & Cybercrime” would be presented at the HLCP meeting of 17-18 October, in response to a CEB decision to address the growing risk posed by cyber threats and cybercrime to global stability. The proposed framework presents the UN system with a set of principles that guide UN entities in integrating cybercrime and cyber-security support to Member States in their programme development plans.

42. The ICT Network then reported that at the recently-concluded annual session of the Network information security subgroup, the chief security officers of the United Nations system agreed to proceed with the development of a Charter for an inter-agency Computer Incident Response Team (CIRT). This facility is designed support agency efforts to ensure the confidentiality, integrity and availability of their information infrastructure and assets while preserving the federated nature of the UN agencies and UN-affiliated organisations that participate in the CIRT.

43. To further elaborate on the importance and value of a CIRT, the HLCM Chair called upon the World Bank, participating via teleconference to offer their perspective. Ms von Friedeburg noted that the recent information security journey for the Bank began in 2007 after their first significant security breach. The group performing these functions has now grown to 50 staff members, based both in North America and at an off-shore service centre. Mr Lin noted that the office of ICT consolidated in late 2008, when an analysis revealed and underinvestment in information security activities, including a fragmented governance, resulting in an insufficient security response capability. After centralization of the governance and functional capacity the Bank was able to construct a robust facility that initiated service in early 2010 with a scope that include a 24 x 7 incident response. The off-shore service has become an extension to the operations in headquarters, and realized a benefit of increased cost efficiency. The Bank now has standardized processes with improved intervention, and has reduced time for intervention from days to minutes. Mr Clay noted that this service is provided to all Bank entities, which operated in a federated manner, and is approximately 8% of total ICT spend. Mr Clay concluded by offering to collaborate with the UN system through share threat analysis, lessons learned, and many of the details of the CIRT, including job descriptions and skill requirements.

44. The Chair thanked ITU and the World Bank and, during the discussion, the UN Secretariat expressed support for the improvement of the capacity of the UN system to address information security concerns, noting that in a matter of three years the Bank was able to construct a robust service. The UN Department of Safety and Security noted that at the most recent session of the Inter-agency Security Management Network (IASMN) the ITU presented the challenge of cyber-security, using as an example an attack during a major conference late last year. The IASMN found the presentation on cyber threat/attacks very informative. Noting the multi-faceted aspects of cyber security, the IASMN recognized that there is a need for increasing awareness on this issue, as well as for clarifying governance and reporting lines within the respective organizations, and supported that there be synergy between the ICT Network and the IASMN on this matter.

45. In summarizing, the Chair noted that cyber-security remains part of the HLCM Strategic Plan Results Framework, and agencies will need to face this important issue, remaining mindful of appropriately dividing responsibilities between bodies, including HLCM and HLCP. In addition, the Chair noted that work in this area should focus on strategic risk and the vulnerabilities we are facing because of the insecure environment, and in this respect the contribution of the World Bank would be invaluable.

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- 46. Thanked the ICT Network for its work.**
- 47. Took note of all the work done in the area of cyber-security by HLCP.**
- 48. Thanked the World Bank for its generous offer and called upon the ICT Network to take concrete action to gain from experiences and lessons learned.**

Priority E. Measuring & Communicating Results

49. The HLCM Strategic Plan places a significant focus on measuring and communicating results. Not all actions undertaken by the Committee in this area are explicitly linked to the QCPR. However, work on establishing common definitions of operating costs and standardized systems of cost control, as well as work to enhance the quality and quantity of information on the CEB website do respond directly to mandates (paragraphs 17 and 159).

50. The development of a UN system Data Visualization platform (see Section VI of this report) to improve the UN system's capacity and ability to present UN system data, as well as the system's implementation of standards for data presentation, represents a direct response to the QCPR calls.

51. In 2012 the CEB Secretariat launched an enhanced system for collection of Financial Statistics based on harmonized definitions of expenses and revenues. The full set of 2010 and 2011 data is now displayed on the new CEB Website. In 2013, the CEB Secretariat further enhanced the SAP-based system and collected 2012 data, which will shortly be made available. The CEB Secretariat is continuously improving the system to enhance automation, improve the collection mechanism so as to reduce the burden for the organizations, and to broaden the range of collected data.

52. A working group led by UNICEF and participated by nine agencies has just been established to respond to the QCPR call for common definition of operating costs and a common and standardized system of cost control.

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- 53. Affirmed its commitment to the programme of work outlined in the Results Framework, which represents the guiding tool for the operationalization of the Committee's Strategic Plan for 2013-2016.**
- 54. Encouraged member organizations that have not yet done so, to express their interest in joining in the activities outlined in the Results Framework.**
- 55. Took note of the work currently undertaken to respond to the mandates of the QCPR in paragraphs 17, 137, 140, 152, 153, 155, 159, 160, 162 and 167 and encouraged the lead and participating organizations to give this work the highest priority.**
- 56. Expressed its commitment to elaborate a response to QCPR paragraph 155 towards developing plans for common service centres, taking into consideration the requirements of the different mandates and corresponding business models of member organizations.**

57. Requested each HLCM Network to review the requirements put forward by QCPR paragraph 155 with respect to their respective functional areas, and propose a coordinated response to the Committee, also identifying where there is value in inter-operability and appropriate harmonization of rules, regulations, policies and procedures.

58. Committed its full support to the Brazil pilot on the establishment of a common service centre, structured along the model offered by the Business Operations Strategy (BOS). Looked forward to a comprehensive cost-benefit assessment, including by the HLCM Networks, of the outcome of the BOS pilots, including of the Brazil common service centre, subsequent to their implementation in 2014, with a view to broadening their scope in response to the QCPR paragraph 155.

59. Welcomed the results being achieved by the use of the lead agency approach for common support services at the country, regional and global level and requested Networks to review policies, procedures and results with the aim to remove any remaining obstacles to the lead agency approach in each of their areas of expertise.

60. Recommended that organizations that have established global service centres assess their readiness and availability to expand those centres to support additional organizations, towards the creation of common service centres at the global level.

61. Took note with appreciation of the work of the UNDG Working Group on Resident Coordinator Issues and confirmed its continuing support to the work of the Group.

IV. ICSC Review of the UN Compensation Package

Documentation:

- ✓ *A/68/30, paras. 25-56: ICSC Draft 2013 Annual Report*
- ✓ *CEB/2013/HLCM/13 – Draft HLCM statement on the ICSC Review*
- ✓ *CEB/2013/HLCM/14 – Outlook of the Review’s content, process and timelines*

62. The HLCM Vice-Chair opened this discussion welcoming the ICSC Vice-Chair and emphasizing that the Review of the UN Compensation Package is a subject of utmost importance to the organizations, as its outcome will significantly impact their ability to successfully deliver against their respective mandates in the future. For this reason, the active collaboration of organizations with ICSC on this subject figures prominently among the objectives of the HLCM Strategic Plan 2013-2016.

63. The HLCM Vice-Chair informed the Committee of the establishment of the HLCM Steering Group called for by the Committee at its 25th to provide strategic guidance and support throughout the Review. The Steering Group is chaired by the HLCM Vice-Chair and is composed of the ASG for HR Management of the UN Secretariat and of HLCM representatives from UNDP, UNHCR, WIPO and IFAD. Respecting the criteria of a balanced representation of all HLCM constituencies and of keeping the number of members as limited as possible, the Group would be open to other interested organizations.

64. The Vice-Chair of ICSC briefed HLCM on the progress of the Compensation Review. He stated his appreciation for the active involvement of HLCM and the HR Network in the process, confirming that such an active involvement would be instrumental to a successful outcome. He outlined the next steps of the Review, including a staff survey planned for October, and interviews by the ICSC Chair and Vice-Chair with Executive Heads at the main duty stations. The interviews would be conducted based on a standardized set of questions and with the support of an external consultant to compile an aggregated report of the visits. Both activities would serve as preparation for the first working group meeting, planned for early December and aimed at laying the groundwork in identifying strengths and weaknesses of the present system and mapping out the next steps of the Review.

65. The Co-Chair of the HR Network briefed the HLCM on the HR Directors' retreat held in Copenhagen in September. He explained that the purpose of that meeting was to clarify three questions: Why do we welcome the Review efforts? What do organisations want to get out of the Review? How do we want to collaborate as organizations? He explained that some common ground among organizations was already identified, while at the same time organizations were seeking some increased flexibility in the compensation system to accommodate their different mandates and needs, to remain attractive while containing costs where necessary. The substantive discussion among organizations would continue and organizations were keen to actively engage in the Review process, including through institutionalized mechanisms. In this respect, the HR Network Co-Chair regretted the abolishment of the Steering Committee composed of ICSC, organizations and Staff Federations that had been active until the July session.

66. The Staff Federations stressed the need for the Review to be inclusive and requested the establishment of adequate bridging mechanisms among the CEB secretariat, HLCM and the Working Groups. They too expressed their regret for the abolishment of the Steering Committee, which represented a valuable instrument for continuous coordination among all involved stakeholders.

67. In the subsequent discussions, representatives of organizations expressed their full support for the Review. Some highlighted the challenges in complying with the recent ICSC's requests for data, both in terms of additional workload and data availability. Strong support for maintaining and strengthening the UN Common System was expressed, as well as for the need to ensure more flexibility for organizations to adapt their compensation strategies to the different and evolving mandates and the variety of labour markets.

68. Organizations emphasised the need to ensure continued attractiveness of the UN Common System as an employer, in particular in hardship duty stations. Some members expressed the need to create a dedicated working group to design specific measures improving conditions of service and gender and geographic diversity in D and E duty stations, in line with the HLCM Strategic Plan.

69. Participants suggested that the HR Network should seek support from the Finance and Budget Network to ensure an accurate financial evaluation of proposals put forward. A number of interventions stressed the need to find a balance between the importance of attracting and retaining highly qualified and motivated staff for effective programmatic delivery, and the financial constraints a number of organizations are facing.

70. The ICSC Vice-Chair indicated his agreement to the requests for a steering mechanism to collectively and inclusively guide the work of the Review. He expressed his confidence that such view would be shared by other members of the ICSC at the next session in March 2014.

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71. Welcomed the ICSC Compensation Review and expressed full commitment of the organizations to an active participation in this exercise.
72. Approved for submission to CEB the HLCM Statement on the Compensation Review (as annexed to this report) outlining the organizations' vision and expectations.
73. Approved the establishment of the HLCM Strategic Group on the Compensation Review and asked the Group to guide the development and formulation of common positions for the upcoming discussions and negotiations in the ICSC working groups.
74. Welcomed the launch of an external data collection exercise, led by the CEB Secretariat, with the objective of providing a solid data reference for the development of proposals in the course of the ICSC Review. This exercise would provide the evidence to benchmark the United Nations against comparable employer practices in regard to compensation. It would include high-level design considerations such as pay philosophy and labour market definitions, as well as specific elements of compensation and remuneration.
75. Agreed to formally express, in a letter from the HLCM Chair to the ICSC Chair, the interest and willingness of the organizations to be actively engaged in a fully inclusive process with the ICSC in the course of the entire Review, and to request the establishment of the appropriate institutional mechanisms to facilitate such involvement.

V. Mandatory Age of Separation



Documentation:

- ✓ *ICSC/77/R.4 – Report of the ICSC on Mandatory Age of Separation*
- ✓ *A/68/30, paras. 57-76: ICSC Draft 2013 Annual Report*

76. The Vice-Chair of ICSC informed HLCM that on 12 November the 5th Committee of the General Assembly would start its deliberations on the ICSC recommendation to increase the Mandatory Age of Separation (MAS) to age 65 for current staff members. He explained that the recommendation was made after a study conducted by an external consultant, and that the concerns expressed by organizations had been partially taken into account by suggesting a deferred implementation to 1 January 2016.

77. The Co-Chair of the HR Network briefed HLCM on the discussion at the last ICSC session. She reported on the strong concerns expressed by organizations on the ICSC recommendation, pointing out that many organizations are currently at different stages in organizational and workforce realignment efforts, and that the current arrangements for mandatory age of retirement are facilitating the workforce planning in these situations. While the delayed implementation date of 1 January 2016 was welcomed as a step in the right direction, she indicated that, in the opinion of the Network, the recommendation did not provide sufficiently convincing arguments on its objectives and solid evidence of its benefits.

78. The Staff Federations confirmed their strong support to the ICSC recommendation, which is consistent with evident external trends. In the opinion of the Federations, a coherent implementation of the ICSC recommendation would represent an important stress test for the Common System in keeping the purpose and principles of Articles 100 and 101 of the UN Charter. They also expressed the views that the Mandatory age of Separation should not be used as a tool for managing performance, and stated their disappointment with the deferral of the suggested implementation date to 2016. Prior to the closing of the open session, the Staff Federations expressed disappointment and concern due to the unsatisfactory status of staff/management relations in most organizations of the UN common system. They informed of their joint initiative to bring this to the attention of the Fifth Committee.

79. During the discussion, many organizations indicated that a compelling argument in support of the recommendation to increase the Mandatory Age of Separation to age 65 for current staff members had not been made by the Commission. Furthermore, they raised concerns about the level and quality of consultations with organizations during the preparatory study. Others stressed the fact that the implementation of the recommendation would considerably increase complexities in workforce planning, including for gender balance. The acquisition of new skills and talents could be slowed down significantly by the proposed change, also given the low turnover rate in UN System organisations. It was emphasized that Mandatory Age of Separation was not a performance management tool, but an instrument to drive the normal adjustment of the overall workforce to acquire the right skills and achieve geographical and gender balance as requested by Member States. Specialized Agencies pointed to the fact that any decision regarding MAS could only be implemented system-wide after deliberations by their respective Governing Bodies.

➤ *HLCM:*

80. Took note of the ICSC recommendation to increase the Mandatory Age of Separation for existing staff to 65 as of 1st January 2016.

81. Stressed that reduced attrition rates would impact the organizations' ability to improve geographic representation and gender balance, and may impede the organizational and workforce realignment and planning which many organizations are undergoing, also in response to budgetary decisions taken by Member States.

82. Recommended that Executive Heads of organizations consult with Member States to ensure that they are provided with the necessary flexibility to phase in MAS65 for existing staff in a way that would enable smooth organizational and workforce planning, according to individual organizational needs.

VI. UN System Data Visualization Platform

Documentation:

- ✓ *CEB/2013/HLCM/15 – UN System Data Visualization Platform – Project Vision and Outline*

83. Of the many initiatives emerging from the January 2013 HLCM retreat, the Committee agreed to include in its Strategic Plan 2013-2016, as a priority, the improvement of the UN system's capacity and ability to present UN system data, as well as its implementation of standards for data presentation.

84. At its 25th session in March, the Committee agreed to create a working group that would explore this area further and propose common. Responding to the need to develop a common approach, the CEB Secretariat drafted a paper, in close consultation with several agencies, which defines a visualization platform for the presentation of high-level programme and management statistics.

85. The CEB Secretariat introduced the project as an opportunity to visualize key issues facing organizations, to report on the deployment of its resources, and to promote collective achievements. The HLCM Secretary explained that what is being proposed is a communication platform which would use visualization to communicate high-level stories and to provide a snapshot of both what and how the UN system is – collectively - doing in some selected and cross-sectorial domains of activity, based on a number of chosen criteria, such as “country” or others, and views over time.

86. The Committee received a presentation from UNHCR on how visualization can provide management and organizations at large with an important strategic tool, with which to realise a variety of communication goals. Emphasis was placed on target audience, the definition of clear goals, design, measurements of success and entry barriers. Challenges included the growing need for expertise in marketing, data science and journalism. Next steps for the UN system were defined in terms of data access, definition and comparability. The Committee heard that through tools such as the Humanitarian Exchange Language, standards are already being applied to humanitarian data. However, an effective definition of the bigger picture and of the achievements of the UN system, it was argued, would remain challenging as long as emphasis is placed on the delivery of data as opposed to the message. In this regard, the UN system has significant ground to cover while the need to change the perceptions of stakeholders remains.

87. Further detail provided by CEB Secretariat positioned the proposed platform as a storytelling tool, and one which will direct visitors to more granular data, hosted on any of the many thematic data driven platforms. In this way the project was presented as a response to Priority E of the HLCM Strategic Plan (measuring and communicating results) and one which would leverage related initiatives in Big Data and Open Data standard harmonization.

88. In the long run, this project aims to combine and present statistics of three basic types: CEB Data, Country Indicators and Programme Statistics. The platform aims to publish statistics, not data per se. This project must build on related initiatives currently on-going in the UN system, ranging from those supporting the efficiency and results based agenda, to the provision of Open Data, since the platform will link out to more granular resources including visualizations, APIs, databases and data catalogues maintained by organizations, in order to provide a transparent view of organizations' activities. This is not a project to establish a “one size fits all” visualization solution for the UN system.

89. The discussion that ensued recognized the benefits of a collective visualization of UN system interests, activities and achievements. Members voiced the experiences within their own organizations in this domain and the absolute need to leverage available expertise, knowledge and related undertakings was regarded as a critical requirement of the project.

➤ *HLCM:*

90. Invited the Committee to consider information sources, expertise and initiatives that speak to this need. As a next step members were asked to provide CEB Secretariat with focal points, who may be contacted to advance this project. The immediate need is to establish a Steering Group of interested organizations, who will help oversee the project and facilitate next steps, which includes a business analysis.

91. Requested the CEB Secretariat to report back at the next HLCM session on progress made towards the formation of a Steering Group and the definition of a project proposal.

VII. Any other business

A) Interactions between UNDSS and staff associations concerning risky duty stations

92. The ASG for the UN Department of Safety and Security (UNDSS) briefed the Committee on on-going discussions between the UNDSS and the staff associations on how to best ensure safety and security in high risk environments, while respecting the principle of “how to stay”. Such discussions are useful to develop mutual understanding and to further progress in the design of mutually acceptable arrangements and policies that regulate staff presence - both national and international - in high risk environments.

B) Domestic partnerships

93. The Committee unanimously supported a suggestion by WFP to request the HR Network to submit to the next HLCM meeting a position paper on the issue of recognition of domestic partnerships for the purpose of benefits and entitlements. Based on such paper, HLCM would develop a recommendation on the matter for CEB’s consideration.

C) Proposed agenda items and venues for the next HLCM sessions

94. The Committee was informed that it had received three offers for hosting upcoming sessions of HLCM: UNESCO office at Venice, ECLAC at Santiago, and UNEP at Nairobi. The CEB Secretariat would shortly reach out to organizations informing about the selected venue and proposing dates for the spring 2014 session.

95. The spring 2014 session would host a thematic discussion on Innovative Financing, aimed at providing an overview of the innovative financing landscape, UN System’s experience in this field and potential approaches going forward. An information-sharing session led by organizations who have already established Global Service Centres would also be arranged.

96. The CEB Secretariat will also explore the possibility of organizing a joint session with the High Level Committee on Programmes, on the subject of Cyber-security.

ANNEX I

Statement on the ICSC Review of the Common System Compensation Package

1. The continued development of the international civil service as an independent, neutral, highly skilled and engaged resource is a key condition for the UN system to be able to effectively meet the ever-changing requirements of the international community.
2. CEB member organisations reiterate their strong commitment and expectation to engage in a constructive dialogue with the International Civil Service Commission in the context of its review of the Conditions of Service for UN System staff.
3. CEB member organisations reconfirm their support for the continued application of the Noblemaire principle as the fundamental principle governing the conditions of service of professional and higher categories staff in the common system, as recently reaffirmed by the General Assembly (see General Assembly resolutions 66/235 A and 64/231).
4. Through the ICSC Review, UN system organizations aim to develop a competitive and simplified compensation package that enables organizations to attract and retain staff of the highest calibre, in the context of strategic workforce planning.
5. The ICSC Review should be based on common principles and implemented with the flexibility necessary to meet different organizational needs. It should promote innovation, transparency and cost-effectiveness, reduce transaction costs through simplification, and rely on objective evidence from systematic data gathering and monitoring on relevant trends.
6. The long-term ability of organizations to sustainably deliver the broad spectrum of programmatic activity, with correspondingly different business models, in the multitude of geographic locations where the UN system operates, must be the primary and overarching assessment criterion for the Review.
7. In the view of CEB member organisations, a future compensation system should be informed by the following principles:
 - a. *Fit for purpose and competitiveness*: it must be designed to be internationally competitive, attract, retain and promote high performing staff, cater for the broad set of knowledge-intensive skills and profiles needed by the UN system organizations to deliver on their respective mandates, and be fit for purpose and adaptable to their different business models.
 - b. *Cost effectiveness*: it should ensure predictability of staff costs and take in due consideration the financial situation of the organizations participating in the common system.
 - c. *Equity*: it must be transparent. It should take in due consideration the expatriate nature and family status of internationally-recruited staff, who are part of a global mobile workforce and serve outside their home country for – most or whole of - the duration of their tenure with the organizations.

- d. *Simplification*: it must be simple to understand for staff, organizations and Member States alike. It should also be easy to administer, thus resulting in the reduction of transactional costs.
 - e. *Diversity*: it should preserve and promote the international nature of the organizations and their membership, ensuring the desired diversity among staff with regard to gender, geographic representation, age and other relevant criteria.
 - f. *Motivating staff and rewarding performance*: it should provide for adequate recognition of performance.
 - g. *Hazardous and hardship duty stations*: it should provide appropriate incentives for service in hardship and high-risk duty stations.
 - h. *Mobility*: it should encourage geographical, inter-organizational and functional mobility, as appropriate to the mandates and business models of the individual organizations.
8. The ICSC Review also presents an opportunity to renew the commitment of organizations to a cohesive and strong United Nations Common System (UNCS). In this spirit, CEB member organisations consider the following to be critical success factors:
- a. *The Review should be conducted in an open, evidence-based and consultative manner, allowing each UNCS organization to adequately contribute its requirements, expertise and knowledge to the discussion.*
 - b. *The implementation of the new package and a communication strategy with the staff would need to be planned and agreed in a consensual manner with the organizations, in order to minimise any change-management-related risks.*
 - c. *Acquired rights would have to be duly taken into consideration, including, where applicable, in transitional measures for current staff members.*
 - d. *Organizational flexibility should be provided for in the implementation of the outcome of the review.*
9. CEB member organisations look forward to a Review whose scope remains limited to subjects directly related to compensation elements under the ICSC purview.

ANNEX II

LIST OF PARTICIPANTS

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

	Last Name	First Name	Org.	Title
Mr.	TAKASU	Yukio	UN	Under-Secretary-General for Management
Ms.	GASARABWE	Mbaranga	UN	Assistant Secretary-General of Safety & Security
Mr.	CAREY	Patrick	UN	Director, Office of the Chef de Cabinet, EOSG
Mr.	VON RUBEN	Nicolaas	UN	Director, DFS
Ms.	AXENIDOU	Antigoni	UN	Director, General Legal Division
Ms.	FARMER	Jillann	UN	Director, Medical Services Division/Chair, UN System Medical Directors' WG
Mr.	VINES	Greg	ILO	Deputy Director General
Mr.	LEVIN	Mark	ILO	Director, HR Development Department
Mr.	AITKEN	Denis	FAO	Assistant Director-General a.i., Corporate Services, HR & Finance Dept.
Mr.	ENGIDA	Getachew	UNESCO	Deputy Director General
Ms.	THOMPSON-FLORES	Ana Luiza	UNESCO	Director, Bureau of HR Management, Co-Chair of HR Net
Ms.	LIU	Fang	ICAO	Director, Bureau of Administration and Services
Mr.	JAMA	Mohamed	WHO	Assistant Director-General for General Management
Ms.	EPHREM	Bersabel	WHO	Senior Advisor to ADG/GMG
Ms.	RAATIKAINEN	Hanne	WHO	Management Officer
Mr.	ROLLI	Angiolo	WMO	Director, Resource Management Department
Mr.	PLESSE	Dietmar	ITU	Head, Procurement Division / Chair, Procurement Network
Ms.	WATT	Julia	ITU	Chief, HR Management Department
Mr.	NORSKER	Anders	ITU	Chief, Information Technology, Repr. of the ICT Network
Mr.	SUNDARAM	Ambi	WIPO	Assistant Director General, Admin. and Management
Ms.	NARAYANASWAMY	Chitra	WIPO	Director, Resource Planning, Program Management and Performance Division
Ms.	MENON	Lakshmi	IFAD	Associate Vice-President, Corporate Services Department
Mr.	AKPA	Akmel P.	UNIDO	Officer-in-Charge, Programme Support and General Management Division
Mr.	BLANCH	Jose G.	UNWTO	Director, Administration Division
Ms.	DUNN LEE	Janice	IAEA	Deputy Director-General and Head of Management
Mr.	WANDEL	Jens	UNDP	Assistant Administrator and Director, Bureau of Mgmt
Mr.	SHAH	Darshak	UNDP	Deputy Assistant Administrator, Deputy Director & CFO

Last Name		First Name	Org.	Title
				Co-Chair, FB Network
Mr.	LILEY	Michael	UNDP	Director, Human Resources Management and Co-Chair, HR Network
Mr.	MOGWANJA	Martin	UNICEF	Deputy Executive Director
Ms.	ISSA	Lori	UNICEF	Coherence Specialist
Ms.	ALBRECHTSEN	Anne-Birgitte	UNFPA	Deputy Executive Director
Mr.	GUPTA	Subhash K.	UNFPA	Director, Division for Management Services
Mr.	ALEINIKOFF	Alexander T.	UNHCR	Deputy High Commissioner for Refugees
Ms.	FARKAS	Karen	UNHCR	Director, Division of Human Resources Management
Mr.	DELARUE	Olivier	UNHCR	Lead, UNHCR Innovation
Ms.	BIHA	Giovanie	UNWOMEN	Director, Division of Management and Administration
Ms.	ROJKOV	Kate	PAHO	Director, Human Resources
Mr.	BOUVIER	Christophe	UNEP	Director, Office for Operations and corporate services
Mr.	JUNEJA	Manoj	WFP	Assistant Executive Director and CFO
Mr.	OPP	Robert	WFP	Director, Business Innovation and Support
Ms.	LONDEN	Laura	UNRWA	Director, Human Resources Department
Mr.	MATTSSON	Jan	UNOPS	Executive Director
Mr.	VANSHELBOIM	Vitaly	UNOPS	Deputy Executive Director
Ms.	MURRAY	Eva	ITC	Director of Administration
Mr.	KOK	Tan	ITC	Chief, Financial Management
Ms.	NYAKARU	Jane	UN-HABITAT	Officer-in-Charge, Division of Management
Mr.	THATCHAICHAWALIT	Dennis	UNOV/UNODC	Director, Division of Management
Ms.	HUTCHINSON	Maria	UNSSC	Deputy Director & Head of Programmes
Other representatives:				
Mr.	STOECKL	Wolfgang	ICSC	Vice-Chairman
Ms.	PAWLIK	Regina	ICSC	Executive Secretary
Ms.	BACELJ	Mira	WTO	Director, HR Division
Ms.	THOMPSON	Laura	IOM	Deputy Director General
Ms.	BOYLE	Francis	CTBTO	Director, Division of Administration
Mr.	ALIPPI	Ivan	ICC	Director, Common Administrative Services Division
Ms.	ANALENA	Paulina	CCISUA	President
Mr.	CHIRAZ BALLY	Mohamed	CCISUA	General Secretary
Mr.	PACE	Mauro	FICSA	President
Ms.	DWEGGAH	Maria	FICSA	Information Officer
Ms.	SAMARAS	Dimitri	UNISERV	President
Ms.	ELLIOT	Lucy E C	WFP	Director, Internal Audit & Oversight - Representative of UN-RIAS

Last Name		First Name	Org.	Title
By audio for certain items				
Mr.	HARNISCHFEGER	Frank	IMF	Director, Technology and General Services Department
Ms.	von FRIEDEBURG	Stephanie	World Bank	CIO and Vice President
Mr.	LIN	Clay	World Bank	Chief Information Security Officer
Ms.	TOWNSEND	Andrea	World Bank	Program Manager - Strategic Partnership
Mr.	GASS	Thomas	UN/DESA	ASG for Policy Coordination and Inter-Agency Affairs
Mr.	HANIF	David	UN/DESA	Director, Office for ECOSOC support and coordination
CEB Secretariat				
Ms.	PETROVA	Simona	New York	Director
Ms.	LEE	Phyllis	New York	Secretary, HLCP
Mr.	HERMAN	Kenneth	New York	Senior Advisor on Information Management Policy Coordination
Mr.	LINDSTROM	Ronny	Geneva	Senior Business Practices Adviser
Mr.	ROSETZ	Michael	Geneva	Senior Inter-Agency Adviser on HR Management
Mr.	MACIVER	Richard	Geneva	ICT Specialist and Webmaster
Ms.	TOSCHI	Natalia	Geneva	Inter-Agency Adviser on Finance and Budget
Ms.	STAFFORD	Cheryl	New York	Programme Officer

ANNEX III

CHECKLIST OF DOCUMENTS

Item no.	Title	Summary Sheet	Document Symbol
	Provisional Agenda		CEB/2013/HLCM/8
	Provisional Programme of Work		CEB/2013/HLCM/8/Add.1
1	Performance Management: UNOPS Pilot Project on Rewards, Recognition and Sanctions	YES <input checked="" type="checkbox"/>	CEB/2013/HLCM/9
	Presentations by keynote speakers		presentations
2	HLCM Strategic Plan (for reference)		CEB/2013/HLCM/2
	Results Framework (as of 25 September 2013)	YES <input checked="" type="checkbox"/>	CEB/2013/HLCM/10
	Briefings on the work of HLCM Networks: FB Network		CEB/2013/HLCM/11A
	Briefings on the work of HLCM Networks: ICT Network		CEB/2013/HLCM/11B
	Briefings on the work of HLCM Networks: Procurement Network	YES <input checked="" type="checkbox"/>	CEB/2013/HLCM/11C
	IPSAS Adoption Progress Report to HLCM	YES <input checked="" type="checkbox"/>	CEB/2013/HLCM/11D
	Information Note by the ICT Network on Cyber Security Challenges	YES <input checked="" type="checkbox"/>	CEB/2013/HLCM/16
3	HLCM's response to the Quadrennial Comprehensive Policy Review: Progress in the implementation of QCPR resolution 67/226	YES <input checked="" type="checkbox"/>	E/2013/L.17
	HLCM Action Plan in follow-up to the QCPR mandates UNDG/HLCM - Business Operations Strategy (BoS)		CEB/2013/HLCM/12
	Scoping Mission Brazil		-
	Business Operations Strategy (Factsheet)		-
4	ICSC Review of the UN System Compensation Package: Outlook of the Review's content, process and timelines	YES <input checked="" type="checkbox"/>	CEB/2013/HLCM/14
	Draft HLCM Statement on the ICSC Review (1 October 2013)		CEB/2013/HLCM/13
	ICSC Draft 2013 Annual Report, paragraphs 25-56		A/68/30 (extract)
5	Mandatory Age of Separation - ICSC Report	YES <input checked="" type="checkbox"/>	ICSC/77/R.4
	ICSC Draft 2013 Annual Report, paragraphs 57-76		A/68/30 (extract)
6	UN System Data Visualization Platform - Draft Project Vision & Outline	YES <input checked="" type="checkbox"/>	CEB/2013/HLCM/15