



## Governing Body

312th Session, Geneva, November 2011

GB.312/PFA/11

**Programme, Financial and Administrative Section**  
*Audit and Oversight Segment*

**PFA**

### ELEVENTH ITEM ON THE AGENDA

## Matters relating to the Joint Inspection Unit (JIU): Reports of the JIU

### Overview

#### Summary

This paper summarizes the JIU's annual report for 2010, its programme of work for 2011, and its reports addressed to the ILO on seven UN system-wide issues: (a) UN system support to Africa; (b) offshore service centres; (c) selection and conditions of service of executive heads; (d) benchmarking framework for coherence and integration; (e) environmental management; (f) travel arrangements; and (g) ethics.

#### Policy implications

None.

#### Legal implications

None.

#### Financial implications

Some JIU recommendations require substantial resources in order to be implemented; none are costed.

#### Decision required

Guidance on the level of resources to be devoted to JIU-related work and on any of the JIU recommendations addressed to the ILO (paragraphs 24 and 25).

#### Follow-up action required

Subject to the guidance to be provided.

#### Author unit

Bureau of Programming and Management (PROGRAM).

#### References to other Governing Body documents and ILO instruments

This paper is submitted annually, in accordance with the procedure established in GB.294/PV, paragraph 210.

Additional references are provided on the web in GB.312/PFA/11/REF.



## Report of the JIU for 2010 and programme of work for 2011

1. Chapter I of the report summarizes the reports completed in 2010 and follow-up of recommendations, among other items. Chapter II contains a plan for reviews to be conducted in 2011, covering issues including accountability frameworks, investigation function, sick leave, individual consultancies, governance of information and communications technology, recruitment, strategic planning, business continuity, staff-management relations, and safety and security.
2. Annex II of the report indicates that the ILO's contribution to the JIU budget in 2010 represented 2.2 per cent of the total, or US\$144,962.40. The total contribution for 2010–11 amounts to US\$279,274.60.

### Other JIU reports

3. In accordance with the established procedure, the Office submits to the Governing Body annually a summary of JIU reports containing recommendations addressed to the ILO Director-General or the Governing Body, either specifically or among the UN system organizations, along with the comments of the UN System Chief Executives Board for Coordination (CEB) and the Office. There are seven such reports to submit to the current session, as summarized in paragraphs 5–23 below.
4. The full reports are available on the JIU website.<sup>1</sup> The URL of each JIU report cited in this document and the applicable recommendations are listed in a separate document for reference on the Governing Body website.<sup>2</sup>

### Towards more coherent United Nations system support to Africa

(JIU/REP/2009/5 and A/65/62/Add.1)

5. The report identifies 11 recommendations as applicable to the ILO among other UN system organizations. They concern a review of each organization's mandate in support of Africa; strengthening communication and knowledge sharing; a new structure and focal points for the Regional Coordination Mechanism (RCM); closer relations with regional economic communities; engagement of African governments in UN Development Assistance Frameworks (UNDAFs); strengthening the two Regional Directors' teams in Africa; alignment of country programmes under UNDAFs; and results-based management.
6. CEB members generally agreed with the recommendations. However, they identified methodological issues that undermine the report's utility, including the weak link between the findings and recommendations. They also noted the failure to take into account some comments on the draft report which had drawn attention to the incompatibility between some recommendations and agencies' governance systems, the neglect of relevant coordination mechanisms in place, and insufficient recognition of the need to strengthen RCM cluster coordinators. They further suggested that the JIU make a recommendation to the UN Economic and Social Council (ECOSOC) in view of the latter's mandate on UN

<sup>1</sup> <http://www.unjiu.org/en/reports.htm>.

<sup>2</sup> GB.312/PFA/11/REF at <http://www.ilo.org/gb/lang--en/index.htm>.

system coordination and its history of engagement with development and peace-building in Africa.

7. Some of the key Office comments on the draft report were not taken up. The Office and other CEB members view the JIU proposal for a high-level steering committee to oversee the RCM as creating an additional level of bureaucracy without any evidence of added value. The JIU focuses on beneficiary governments with regard to national ownership and leadership over UN system activities, ignoring the social partners and other relevant parties. The Office supports the other JIU recommendations in so far as they do not increase costs. The Office will continue to participate in the efforts to improve UN system coordination while promoting ILO values and principles.

### **Offshoring in United Nations system organizations: Offshore service centres**

(JIU/REP/2009/6 and A/65/63/Add.1)

8. The report assesses offshoring policies, practices and experience in the UN system and identifies best practices and lessons learned. While the report was addressed to the ILO among other organizations for action, the findings of the report and the recommendations are not directly or immediately relevant to the ILO, which does not have any offshore service centres and is not considering the creation of any.

### **Selection and conditions of service of executive heads in the United Nations system organizations**

(JIU/REP/2009/8 and A/65/71/Add.1)

9. The report contains ten recommendations for the ILO among other organizations, all addressed to the legislative bodies of the organizations concerned. They relate to hearings/meetings with candidates running for executive head posts; timelines for the selection process; documents to be requested from candidates; term limits; prohibition of unethical practices during campaigns; provisions on conflicts of interest and/or alleged misconduct; investigations into allegations of wrongdoing; financial disclosure; and termination allowances.
10. CEB members welcomed the report, as it put together information on existing practices in UN system organizations.
11. The Office joins CEB members in welcoming the report in general and notes that it has already adopted measures on key recommendations. However, it notes with regret that, despite comments provided to the JIU, the report does not take into account the ILO's tripartite structure and the recommendations tend to focus only on the views and roles of member States or governments.

### **The role of the Special Representatives of the Secretary-General and Resident Coordinators: A benchmarking framework for coherence and integration within the United Nations system**

(JIU/REP/2009/9 and A/65/394/Add.1)

12. The report contains one recommendation, addressed to the legislative bodies of the UN system organizations in general, including the ILO. It concerns the adoption of

18 benchmarks “to guide and measure efforts towards a more efficient and effective organization”.

13. Overall, CEB members welcomed the report. They noted, however, that the JIU’s suggestion to redefine “coherence” and “integration” could further complicate ongoing efforts in those areas. With respect to the benchmarks and proposed mechanisms to implement them, CEB members considered that they need additional analysis, as their practicability and feasibility are questionable.
14. The Office agrees with the CEB’s observation. Follow-up of the recommendation contained in this report would be an extremely complex exercise, since it contains 18 benchmarks that are actually addressed to a wide range of entities, such as member States, the UN Security Council and various UN departments.

### **Environmental profile of the United Nations system organizations: Review of their in-house environmental management policies and practices** (JIU/REP/2010/1 and A/65/346/Add.1)

15. Five recommendations are addressed to the ILO, among other organizations. They concern budgetary and administrative arrangements; agreements with host countries on their support for “greening” organizations’ premises; an environmental management system for UN common facilities and services; norms and standards for in-house environmental management; and sustainable procurement policies and guidelines. The JIU identified an additional recommendation on which the ILO and other organizations should take action, although it is actually addressed to the UN Secretary-General.
16. CEB members welcomed the report and supported the recommendations in general. On carbon offsetting, they suggested that it was essential not to overlook the more important issue of reducing the institutional carbon footprint, which would require resources.
17. The Office also supports the report overall as being consistent with its own initiatives in the area of environmental protection. It shares the caution expressed about the emphasis on carbon offsets and their costs. Implementation of specific recommendations is subject to resource availability.

### **Review of travel arrangements within the United Nations system** (JIU/REP/2010/2 and A/65/338/Add.1)

18. Eight recommendations are addressed to the ILO among other organizations, on the following issues: support to the activities of the Inter-Agency Travel Network; financing of two positions for the International Organizations of Geneva (IOG) Working Groups on Airline Negotiations and Travel Agency/Visa Processing Services; upgrading of enterprise resource planning travel modules; updating information on travel policies and making it easily available to staff; travel administration workflow; self-certification of travel in specific cases; penalties for fraudulent travel claims; and reporting on travel expenditures.
19. CEB members commended the clear, comprehensive and constructive report with its many practical conclusions that merit further consideration. For some of the recommendations, they sought more in-depth financial analysis that would explain the basis for the proposals for improved efficiency or cost saving.

20. The Office concurs with the CEB comments. For several biennia, the Office has been systematically proposing reduced travel budgets. Currently, within the framework of the High-level Expenditure Review, a comprehensive review of key aspects of travel expenditure is being undertaken.

### **Ethics in the United Nations system**

(JIU/REP/2010/3 and A/65/345/Add.1)

21. Sixteen recommendations are addressed to the ILO among other organizations. They concern the appointment of heads of ethics offices; reporting and informal access of heads of ethics offices to the legislative bodies; membership of the UN Ethics Committee; mandatory ethics training for all staff; biennial staff surveys on integrity awareness; investigation by the JIU on retaliation in specific circumstances; comprehensive financial disclosure policy; participation of heads of ethics offices in all senior management meetings; annual “town hall” meetings with staff; financial disclosure statements by executive heads; and the investigation of allegations made against executive heads.
22. CEB members expressed qualified support for most of the recommendations. They noted the difficulty of implementing some of the recommendations where the ethics function was part-time. The specialized agencies did not perceive any necessity of membership of the UN Ethics Committee, given the UN system-wide ethics network in place. CEB members saw the need for cost-benefit analysis to assess the feasibility of recommendations that have significant financial implications. They opposed the recommendation explicitly calling for the JIU to investigate accusations of retaliation or threats of retaliation where the internal oversight office declines to do so, on the grounds that the solution is not to introduce a new entity but to ensure the independent authority of the established internal investigative function.
23. The Office concurs with the CEB comments.

### **Point for guidance**

24. The JIU has made some 67 recommendations to the ILO over the past year, often with subrecommendations and, in one case, with 18 benchmarks. These recommendations are addressed broadly to various UN entities and organizations. None analyses whether the ILO has partially or completely applied the recommendation, and none gives details of the cost of application, let alone any cost-benefit analysis. Some 22 recommendations are addressed specifically to the Governing Body, which has not found the time in recent years to consider such recommendations. The volume of work required from the Office to provide detailed information to the JIU has become problematic. A new JIU computerized recommendation tracking system will require additional resources to analyse ILO action on the many and often complex recommendations, and to report regularly on them. The Office would appreciate the guidance of the Governing Body on the level of internal resources it should devote to JIU work.
25. The Governing Body may also wish to provide guidance on any of the JIU recommendations addressed to the ILO.

Geneva, 29 August 2011