

Governing Body

346th Session, Geneva, October-November 2022

Programme, Financial and Administrative Section

PFΔ

Audit and Oversight Segment

Date: 1 September 2022 **Original:** English

Ninth item on the agenda

Matters relating to the Joint Inspection Unit

Purpose of the document

This document summarizes the annual report of the Joint Inspection Unit (JIU) for 2021 and its programme of work for 2022, and four reports published in 2021 on the following United Nations system-wide issues: blockchain applications; environmental sustainability; support for landlocked developing countries; and cybersecurity.

The Governing Body is invited to provide guidance on the information contained in this document and on any of the recommendations addressed to the ILO in those four JIU reports, as well as on the status of the follow-up to the recommendations presented to the Governing Body in the past three years (see the draft decision in paragraph 19).

Relevant strategic objective: None.

Main relevant outcome: Enabling outcome B: Effective and efficient governance of the Organization.

Policy implications: Subject to guidance from the Governing Body.

Legal implications: Subject to guidance from the Governing Body.

Financial implications: None.

Follow-up action required: Subject to guidance from the Governing Body.

Author unit: Strategic Programming and Management Department (PROGRAM)

Related documents: This document is submitted annually, in accordance with the procedure established in GB.294/PV, paragraph 210; GB.346/PFA/9/REF/1; GB.346/PFA/9/REF/2.

► **GB.346/PFA/9** 3

Report of the Joint Inspection Unit for 2021 and programme of work for 2022

- 1. The 2021 annual report ¹ of the Joint Inspection Unit (JIU) provides information on, among other things, JIU reports issued in 2020 ² and the follow-up to recommendations by the participating agencies. It also lists the reviews planned for 2022, including on five issues that concern the ILO as part of the United Nations (UN) system, namely: flexible working arrangements; mental health and well-being policies and practices; follow-up on JIU reports and recommendations by the participating organizations and their governing bodies; quality, effectiveness, efficiency, and sustainability of health insurance schemes; and use of non-staff personnel and related contractual modalities.
- 2. Annex V to the 2021 JIU annual report shows that the ILO's share (US\$127,497) of the JIU budget for that year represents 1.7 per cent of the total contributions of all participating organizations. The ILO contribution to the JIU for the period of 2020–21 (US\$263,360) remains at the same level as for 2018–19.

► Selected JIU reports published in 2021

- 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 among other UN system organizations, along with a summary of the comments of the UN System Chief Executives Board for Coordination (CEB) and the comments by the Office. A summary of four such JIU reports is being presented to the Governing Body at its current session, as set out in paragraphs 6–18 below.
- 4. The status of the ILO's follow-up to each JIU recommendation is presented in a separate reference document, which is available on the Governing Body website. ³ Out of a total of 20 recommendations addressed to the ILO, 13 were accepted, with 10 implemented and 3 in progress, while 5 have not been accepted and 2 are under consideration. In line with previous practice, the Office has also made available an additional reference document that provides details of the updated status of the follow-up to those JIU recommendations that were presented to the Governing Body in the previous three years. ⁴ Relative to the last update submitted to the Governing Body, ⁵ of the total 90 recommendations that have been accepted for ILO action, 5 additional recommendations have been implemented, and 2 are in progress. This brings the total number of recommendations either implemented or in progress to 86, and no action has yet been taken on the remaining 4.

¹ United Nations, *Report of the Joint Inspection Unit for 2021 and Programme of Work for 2022*, Official Records of the General Assembly, Supplement No. 34, General Assembly, 76th Session, New York, 2022 (A/76/34).

² All the JIU reports that have been published to date are available on the JIU website in English, French and Spanish, among other UN official languages.

³ GB.346/PFA/9/REF/1 (in English only).

⁴ GB.346/PFA/9/REF/2 (in English only).

⁵ GB.343/PFA/11/REF/1 and GB.343/PFA/11/REF/2.

► GB.346/PFA/9 4

5. The Governing Body is invited to provide guidance on this document and on any of the recommendations addressed to the ILO as set out in the two reference documents.

Blockchain applications in the UN system: Towards a state of readiness

- 6. The report ⁶ includes eight recommendations, of which five are addressed to the ILO for action, among other relevant UN system entities. Four of them were accepted with three implemented and one in progress. The other recommendation is under consideration. It is addressed to the Governing Body for action, to "encourage Member States to engage with the United Nations Commission on International Trade Law in its exploratory and preparatory work on legal issues that relate to blockchain in the broader context of the digital economy and digital trade, including on dispute resolution, which is aimed at reducing legal insecurity in that field" (recommendation 6).
- 7. In their comments, ⁷ the CEB members welcomed the report and appreciated the JIU's initiative to foster innovation and digital transformation by adopting new technologies. Meanwhile, they supported most of the recommendations with some reservations. Concerning the application of a decision-making matrix on using blockchain (recommendation 4), they suggested that it should be sufficiently flexible and extensively elaborated to respond to the requirements and mandate of each entity. On the adoption of an interagency blockchain governance framework (recommendation 8), they noted that the members have different views on the nature of such a framework and recognized the potential role of the Digital and Technology Network (DTN) of the High-level Committee on Management of the CEB to spearhead the initiative.
- **8.** The Office joins the CEB members in welcoming the report. It will continue to operate in the framework of the ILO Information Technology Strategy 2022–25 as endorsed by the Governing Body, while taking into account the JIU's findings and recommendations as relevant to meet the Organization's needs. Regarding recommendation 6, the Governing Body may wish to ask the Office to encourage Member States to engage with the UN Commission on International Trade Law whenever it works with them in the areas of blockchain.

Review of mainstreaming environmental sustainability across organizations of the UN system

- 9. The report ⁸ includes ten recommendations that are all addressed to the ILO for action, among other relevant UN system entities. Eight of them were accepted with seven implemented and one in progress. The other two recommendations were not accepted. One of them concerns incorporation of environmental sustainability understanding and behaviours into all recruitment and selection processes and performance appraisal systems (recommendation 5), which is not compatible with the ILO practice under which some of the changes recommended are subject to negotiation with the Staff Union.
- 10. The other recommendation that was not accepted is about ensuring the compliance of information and communications technology (ICT) services' actions and projects with environmental sustainability considerations, including in terms of their greenhouse gas emissions, by the end of 2022 (recommendation 9). The recommended action will require a UN system-wide methodology to baseline separately the ICT-related greenhouse gas emissions,

⁶ |IU/REP/2020/7.

⁷ The full text of the CEB comments is available in document A/76/325/Add.1.

⁸ JIU/REP/2020/8.

- as well as the clarification of responsibility over target-setting among the organizations concerned. The timeline is found to be too ambitious in the absence of such methodology today, considering the time required to develop one and to define the baseline and target with the associated responsibilities.
- 11. In their comments, ⁹ the CEB members appreciated the report for its timeliness, shortly after the CEB endorsed the Strategy for Sustainability Management in the UN System, 2020–2030, as well as for providing a valuable baseline for addressing shortcomings in the UN system organizations and inter-agency mechanisms in this area. While there are many overlaps between the JIU's recommendations and the CEB-endorsed Strategy, they noted that the JIU-proposed deadlines for action are not aligned with more realistic time frames in the Strategy. They further noted that the JIU report raised high expectations for inter-agency support, guidance, data and progress verification, without elaborating on the means to realize them.
- **12.** The Office concurs with the CEB comments. The ILO is fully part of the Strategy for Sustainability Management in the UN system and continues to actively engage in UN systemwide efforts in this area.

Review of UN system support for landlocked developing countries to implement the Vienna Programme of Action

- 13. The report ¹⁰ includes nine recommendations, of which three are addressed to the ILO for action, among other relevant UN system entities. They concern: designation of an organizational focal point on landlocked developing countries (LLDCs) for supporting the implementation of the Vienna Programme of Action ¹¹ for LLDCs (recommendation 1); development of a clear results framework for support for LLDCs (recommendation 3); and mainstreaming of the priorities of the Vienna Programme of Action for LLDCs as pertinent to the organizational mandate and periodic reporting on its implementation to the Governing Body (recommendation 7). None of them was accepted, because the ILO does not use the LLDC category to provide differentiated policy and technical assistance to Member States; instead, it operates based on the country needs and priorities, including those emanating from landlocked situations.
- **14.** In their comments, ¹² the CEB members generally welcomed the JIU report and its findings. They noted that additional resources would be required to fully implement the JIU recommendations. To help them deal with such resource gaps, the JIU report could have provided cost analysis and related recommendations. They also noted that the report failed to mention a few important ongoing processes and mechanisms to address issues in this area, including under the auspices of the UN Economic and Social Council and with the involvement of the countries concerned.
- **15.** The Office joins the CEB members in welcoming the report in general. It duly recognizes that being landlocked is among the conditions that affect countries' development status and capacities. It will continue to provide support to countries, including in landlocked situations, based on the needs and priorities set by constituents in Decent Work Country Programmes

⁹ The full text of the CEB comments is available in document A/76/286/Add.1.

¹⁰ JIU/REP/2021/2.

¹¹ Vienna Programme of Action.

¹² The full text of the CEB comments is available in document A/77/89/Add.1.

► **GB.346/PFA/9** 6

and working closely with other UN entities and development partners towards the achievement of the 2030 Agenda for Sustainable Development.

Cybersecurity in the UN system organizations

- **16.** The report ¹³ includes five recommendations, of which two are addressed to the ILO for action, among other relevant UN system entities. One of them was accepted and is in progress, and the other is under consideration.
- 17. In their comments, ¹⁴ the CEB members welcomed the report and its findings. They appreciated that the review promotes: a business risk-based approach to information and communications technology; entity-specific view and processes; and a UN system-wide common basic level of security, protection and measures to bridge the maturity gap between entities and improve cyberresilience throughout the UN system.
- **18.** The Office concurs with the CEB comments. It finds the JIU report insightful and commendable as it addresses a complex topic across the UN system. In taking forward the findings and the recommendations of the report, the Office will build on the Governing Body guidance in this area under a separate agenda item at its current session. ¹⁵

Draft decision

19. The Governing Body took note of the information contained in documents GB.346/PFA/9, GB.346/PFA/9/REF/1 and GB.346/PFA/9/REF/2 and provided guidance to the Office.

¹³ IIU/REP/2021/3

¹⁴ The full text of the CEB comments is available in document A/77/88/Add.1.

¹⁵ GB.346/PFA/3.