

UN MANAGEMENT REFORMS: 2005

Management Reform Measures to Strengthen Accountability, Ethical Conduct and Management Performance

The importance of effective multilateralism and the unique role of the United Nations in development, security and human rights is reaffirmed in the Secretary-General's "In Larger Freedom" report submitted to the General Assembly in March. That report includes broad proposals to accelerate management reform of the Secretariat to make it more flexible, transparent, accountable and equipped to deal with the needs and challenges of the 21st Century. These measures are part of a longer-term series of reforms launched in 1997 and reinforced in particular with three packages of change initiatives since then: namely, the Brahimi report on UN peace operations, the 2002 Agenda for Further Change and last year's overhaul of the staff security system.

The current phase of reform comes at a particularly crucial time for the UN. The Secretariat has faced an unprecedented series of organizational challenges which have exposed flaws in the way it does business. As a result, the UN must take real action now where it is in the Secretary-General's authority to do so directly, particularly in the critical areas of management, oversight and accountability. The reform initiatives summarized below are already underway and most will be fully implemented within the next few months, with the exception of those that require Member States approval. While the preparation for many of the steps predates the problems revealed over the past year, the initiatives also explicitly seek to address both the serious concerns expressed by UN staff in last year's Integrity Perception Survey, and the recommendations of the Independent Inquiry Committee led by Paul Volcker into the Oil-for-Food Programme.

I. Improving the Performance of Senior Management

A series of steps are being taken to streamline and improve the decision-making processes of the Secretariat, open up the recruitment process and enhance training and development of senior officials.

- **Introduction of executive-level decision-making committees**
The existing Senior Management Group, established in 1997 and comprising all Heads of Secretariat Departments and UN Offices, Funds and Programmes, has improved coordination and coherence within the UN family. In practice, however, while having real utility as an information-sharing body, it has proved too large for effective and timely decision-making. As a result, two new, senior committees chaired by the Secretary-General – one dealing with Policy issues and the other on Management – have been created to enhance the quality and speed of top-level decision-making. The *modus operandi* of these committees will ensure clear, action-oriented outcomes with better definition of responsibility areas and timelines for implementation.

Status: The Policy Committee had its initial meeting May 3 and will now meet weekly. The first meeting of the Management Committee will take place before the end of May and it will thereafter meet monthly.

- **Selection system for senior officials**

Historically, the selection process for senior UN officials has been opaque and not sufficiently focused on the growing needs for management as well as political expertise in candidates. To address this, a transparent new selection system has been introduced to ensure a much wider search for qualified candidates and a rigorous, open selection process against pre-determined criteria for all new heads of UN Funds and Programmes. This will help build a new generation of UN senior leaders, recruited on the basis of merit and a proven combination of substantive, political, managerial and leadership skills. The Department of Peacekeeping Operations (DPKO) is also developing new criteria for the appointments of its senior-level field managers.

Status: The first high-level appointments made using the system – new heads of the United Nations Development Programme and the Office of Internal Oversight Services – were announced in April. A UN High Commissioner for Refugees will also be announced in May.

- **Induction of senior officials**

Given the findings of the Volcker Inquiry and other instances of alleged misconduct, it is clear that a more robust approach is needed to ensure that once senior officials are appointed, they are properly briefed on the broader system of UN rules, regulations, codes of conduct and managerial systems. The UN is therefore developing a formal induction programme to provide in-depth training in these areas for senior officials of the Secretariat.

Status: DPKO's first induction session is scheduled for June; the Office of Human Resources and Management will launch a pilot induction program for the Secretariat in the second half of 2005.

II. Enhancing Oversight and Accountability

Perhaps the most obvious shortcomings identified by the Volcker Inquiry and other crises are in the area of oversight and accountability. The current “control” systems for monitoring management performance and preventing fraud and corruption are insufficient and must be significantly enhanced.

- **The Management Performance Board**

In order to ensure a rigorous monitoring of individual offices and managers, a Management Performance Board (MPB) has been created. It will systematically assess the performance of senior managers, bring to the Secretary-General's attention instances which require his attention and advise him on suggested corrective action, where necessary.

Status: The membership and the terms of reference of the MPB have been confirmed. The Deputy Secretary-General will chair the Board and comprise two sitting Under-Secretaries-General and one former senior official. The heads of the Department of Management and the Office of Internal Oversight Services will serve as ex officio members. The first meeting will be convened before the end of June.

▪ The Oversight Committee for the UN Secretariat

To address shortcomings identified by both the General Assembly and the Volcker Inquiry and to increase the effectiveness of the oversight function, a new Oversight Committee is also being established. The Committee, which will have three internal and two external members, will ensure that appropriate management action is taken to implement the recommendations of the Office of Internal Oversight Services, the Board of Audit and the Joint Inspection Unit. A new tracking system is being piloted for better follow-up of the 500-plus important audit recommendations issued each year.

Status: The UN has initiated selection of members, who will include two individuals outside the Secretariat. Terms of reference for the Committee are being finalized in a formal administrative issuance. The Committee will convene for its first meeting this summer and meet quarterly thereafter.

▪ Comprehensive review of OIOS

In November 2004, the Secretary-General recommended to the General Assembly that the Office of Internal Oversight Services (OIOS) undergo a comprehensive external review to strengthen its independence and authority while ensuring it is fully equipped in terms of resources, expertise and capacity to carry out all aspects of its work. That recommendation was reiterated in the Secretary-General's "In Larger Freedom" report. In addition, the General Assembly has asked the Secretary-General to report on how to guarantee the full operational independence of OIOS in the upcoming session this fall.

Status: The Secretary-General's recommendation is currently before the General Assembly. Preparation of the Secretary-General's report to the General Assembly is underway.

▪ Enhanced Anti-Fraud and Corruption Policy

The UN already has in place various disparate rules and policies designed to prevent fraud and corruption. However, following a recommendation of the UN's external auditors, it is now consolidating them into a stand-alone, comprehensive anti-fraud and corruption policy. The policy will draw on existing best practices, including the model recently developed by the World Bank.

Status: The UN Controller is leading a working group to draft the policy. An interim report will be ready by June with the final policy scheduled for completion in September.

III. Ensuring Ethical Conduct

In direct response to the concerns about fairness and integrity raised in last year's Integrity Survey among UN staff and to prevent the reoccurrence of such damaging incidents as the exploitation reported in certain peacekeeping missions, misconduct of senior officials and harassment in the workplace, the UN is implementing concrete steps.

- **Whistleblower protection**

The results of the Integrity Survey indicated that staff had little confidence in the Organization's ability to provide sufficient protection for whistleblowers. A review of best practice was conducted, using the expertise of a consultant recommended by Transparency International. The Secretary-General has now issued a robust new whistleblower policy and is seeking the views of staff before formally promulgating it. The policy is designed to provide staff a viable mechanism so that they feel free to come forward with their concerns with the confidence that they will be protected against retribution. The release of the draft policy was accompanied by a circular outlining to staff all existing avenues for the reporting of alleged misconduct.

Status: Staff consultations are already underway and the new policy will be promulgated as soon as this process is completed.

- **Incorporating Ethics into staff training programmes**

The Office of Human Resources and Management is testing a new training module in the form of a CD-ROM on integrity and ethics provisions, which was adapted from an initiative launched by the UN Office in Vienna. The intention is that all levels of Secretariat staff would be required to complete the module. In addition, ethics modules have been added to all existing training programmes for UN staff and managers.

Status: The CD-ROM will be distributed to all UN staff by September.

- **Responses to allegations of sexual misconduct by field personnel**

The Organization is taking systematic disciplinary action where individual cases of sexual exploitation and/or abuse have been identified. In the Democratic Republic of Congo alone, 147 peacekeepers have been investigated over the past 16 months; five UN civilian staff have been fired and 77 "blue helmets" have been expelled from the mission. Investigations there are ongoing, as are investigations in Liberia and Haiti. In addition, a number of short, medium and longer-term initiatives are underway:

- The introduction of a unified standard of conduct across all categories of peacekeeping personnel. Training has been integrated into all mission induction programmes. Credible complaints mechanisms have been established in all missions.
- A global review on the state of discipline in peacekeeping missions was undertaken by OIOS in late March-April, the results of which are currently being analyzed. In addition, missions are ensuring that victims of sexual abuse

are referred to existing emergency assistance in the mission area (medical, psycho-social, legal).

- In the medium term, an enhanced capacity to address misconduct will include the establishment of dedicated units both at UNHQ and in the field to ensure prevention, identification of cases as well as compliance and enforcement of standards. Personnel Conduct Officers and/or focal points have been appointed in missions, with in-country networks developed to better coordinate and share information.
 - In the longer term, the Secretary-General will undertake a comprehensive review of the welfare and recreation needs for all peacekeeping personnel as well as the development of a comprehensive strategy for victim assistance. New agreements with troop-contributing countries and UN partners will be developed and promulgated. In addition, a group of legal experts will be examining ways to ensure that UN staff and experts on mission are held responsible for the consequences of criminal acts committed in countries where no functioning judicial system exists.
- *Status: A request for additional resources is currently before the General Assembly (expected outcome: mid-June). Resources are being requested for significant strengthening of the UN's investigative capacity and for the creation of conduct units in all peacekeeping missions. A UNHQ conduct unit will be established within the Department of Peacekeeping Operations by 1 July 2005. A multidisciplinary workshop on victim assistance is being planned for June 2005.*

Financial Disclosure by senior officials

The UN Department of Management is preparing recommendations to expand the scope of financial disclosure required of senior officials, including those employed on a short-term basis or under special conditions. The appropriate mechanisms for monitoring these disclosures are also under review for immediate strengthening.

Status: A draft document is long prepared and will be considered by the Management Committee in June.

- Enhancement of Codes of Conduct/Conflict of Interest rules
While the UN has in place a detailed Code of Conduct, it has not been disseminated to staff in an effective manner. The Office of Human Resources Management (OHRM) is reviewing the practices of other organizations in disseminating such information in more accessible and easy-to-read forms (web pages, handbooks, orientation guides, etc). Special additional rules are also being developed for staff engaged in procurement activities. A UN Supplier Code of Conduct is also being formulated.

Status: Materials should be produced and ready for dissemination in the fall.

- Protection against harassment in the workplace
While the UN has a strict sexual harassment policy in place, OHRM is now finalizing a new, broader policy to encompass wider forms of harassment for consultation with

the Staff Representative bodies. It is also assessing more effective ways of disseminating the provisions of this new policy.

Status: This policy will be discussed with staff representatives at the next Staff Management Coordination Committee later this year.

IV. Increasing Transparency

- **Access to Information**

Currently, there is no established policy for determining which UN documents should be accessible outside the Secretariat. While a large number of documents are currently accessible, the UN needs a clear and consistent policy that increases transparency while ensuring confidentiality where needed. The Office of Legal Affairs has carried out an assessment of best practices in public administrations around the world. The new Management Committee will review this work and provide guidance on the best way forward.

Status: A new policy will be formulated during the course of the fall for discussion and action by Member States.

- **External validation of the UN procurement system**

The Volcker Inquiry was critical of various UN procurement cases in the early years of the Oil-for-Food Programme. Since the mid-1990s, a major overhaul of the UN's procurement process has been undertaken, making it more transparent and addressing many shortcomings identified in a number of different reviews. In the light of issues raised by the Volcker Inquiry, the UN Department of Management is commissioning a new review to benchmark the current system against the outside practice to ensure that the improvements meet the highest global standards.

Status: A competitive selection process for an external consultancy to undertake the review was completed in early May and the full review is expected to be completed by the end of June.

- **Policy guidance on pro-bono contracts**

A working group led by the Office of Legal Affairs is drafting a new policy on the provision of pro-bono goods and services offered to the UN, building on a body of disparate existing practice and precedent.

Status: The policy guidance is due for completion by the end of June.