



# department of internal oversight services



annual report 2017  
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## About UNRWA

UNRWA is a United Nations agency established by the General Assembly in 1949 and is mandated to provide assistance and protection to a population of some 5 million registered Palestine refugees. Its mission is to help Palestine refugees in Jordan, Lebanon, Syria, West Bank and the Gaza Strip to achieve their full potential in human development, pending a just solution to their plight. UNRWA services encompass education, health care, relief and social services, camp infrastructure and improvement, microfinance and emergency assistance. UNRWA is funded almost entirely by voluntary contributions.

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# acronyms and abbreviations

ACIO	Advisory Committee on Internal Oversight
DIOS	Department of Internal Oversight Services
DDIOS	Director of DIOS
ENMO	Ethics Network of Multilateral Organizations
EPUN	Ethics Panel of the United Nations
GFO	Gaza Field Office
HQA	Headquarters Amman
JFO	Jordan Field Office
LFO	Lebanon Field Office
PaR	Protection against Retaliation
SEA	Sexual exploitation and abuse
SFO	Syria Field Office
UN	United Nations
UNEG	United Nations Evaluation Group
UN RIAS	United Nations Representatives of Internal Audit Services
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
USD	United States Dollar
JIU	Joint Inspection Unit
WBFO	West Bank Field Office

# introduction and director's comments

1. This report will review the activities of the Department of Internal Oversight Services (DIOS) for the period January to December 2017. The report will focus on the work of DIOS, its' achievements, and highlight significant issues, challenges, and plans.

2. This report is prepared in conformity with Organisational Directive 14, the Charter of the Department of Internal Oversight Services of UNRWA, and is also submitted to the Advisory Committee on Internal Oversight (ACIO), and the Advisory Commission of UNRWA (AdCom).

3. The report from the Ethics Office is annexed and has been prepared in accordance with the United Nations Secretary General's Bulletin and UNRWA's Organisational Directive 30, which requires annual reporting from the Ethics Office on their activities and the implementation of related policies.

## independence

4. There have been a number of occasions during the year when DIOS has had to insist on maintaining their operational independence, and has sought support from the Executive Office. That support was usually provided. It bears repeating that while there is currently a climate of fiscal fragility for UNRWA than cannot and should not be used as a justification for intrusion on the independence of operational activities in DIOS. This is a problem that has been brought to the attention of the Executive Office, and it is hoped will be addressed in the coming year. A clear reiteration of the independence of DIOS by the executive office would be appropriate.

## issues arising during reporting year

5. A number of issues arose during the reporting year. They were brought to the attention of the executive office, and there is support for pursuing solutions to remedy the problems:

- **Integrity on Promotion:** An incident occurred when a staff member was to be promoted to a senior position, while there were serious allegations against that staff member which had not been resolved. It appears the legal framework that exists at the moment does not allow for such issues to be considered by management, nor to simply delay an appointment until issues are resolved. There is also no requirement to at least check if integrity is an issue for a successful candidate. This highlighted the need for a change in the rules to allow for an integrity check to be made before promotion to very senior positions. Further, management should have the legal capacity to delay an appointment until matters are resolved. That appears to be the

practice in other United Nations (UN) bodies. It is not suggested that DIOS would play any part whatsoever in selections, but DIOS simply seeks to be consulted and to give feedback to the selection process on whether there are any issues of integrity outstanding or in fact sustained against an officer, so that the hiring manager can then take them into account and make an informed decision. It is expected that in the coming year Department of Legal Affairs and the Executive Office will progress this reform in the rules.

- **Conflicts of interest:** A number of incidents arose during the reporting year where senior field staff members of UNRWA also held the position of heads of union (Area Staff Associations). This has led to problems, as they are part of the decision making process as managers, with knowledge of the decision making process, yet they were in conflict with management wearing their 'union' hat. Again, inquiries have revealed that there is nothing in the regulatory framework that prevents this. DIOS, including the Ethics Division, are of the view that this is not desirable nor sustainable for the long term. It is a historic situation, not created by design. Bearing in mind principles of fairness, it is suggested that the rules should be changed to prohibit this, perhaps at level G18 and above, and that current arrangements, with staff who are in this position, be allowed to stay in place until the next round of elections, when the individuals involved can step down and not re-nominate.

- **The oversight framework:** In the past year, the international body regulating accreditation and activities of international auditors (The Institute of Internal Auditors) has specified that the Chief Audit Officer in organisations cannot report to the Chief Executive of an organization, but must report to the governing body (board, directors, etc.) to ensure independence, and integrity. The Audit Committee is normally also to be involved. This has highlighted a significant problem for DIOS, and our accreditation, as UNRWA does not have a governing board, nor an audit committee, as such.

While UNRWA has an advisory committee on internal oversight, that committee is only advisory in nature, and does not have any mandate to audit or inspect UNRWA per se. It was created to advise and oversight the operations of DIOS, not UNRWA. It does not fit the description of an audit committee.

UNRWA has an advisory commission (AdCom), but again it is advisory in nature, and has no charter nor power to inspect or examine financial expenditure, nor operational management, nor does it have any power to be involved in senior appointments or strategic direction.

Essentially, again from a historical situation, not by design, UNRWA appears to be unique in the UN system, in not having any board of governors, board of directors or similar body. It appears no other UN body has this situation. Compounding matters, UNRWA does not have an audit committee. These two bodies would normally examine operations, inspect finances, and approve senior appointments. While unintended, this situation has left UNRWA vulnerable to accusations a significant of lack of transparency.

## fiscal situation and its implications for dios

6. UNRWA is currently facing a significant financial shortfall. This has affected all departments and DIOS has not been immune from those pressures. It should be noted that while DIOS has formulated work plans for 2018, a realistic appraisal would show that work projects may not be able to be completed as planned. Reporting will take place later to explain which work items were able to be completed, and which ones were not able to be carried out due to financial pressures, cost of travelling etc.. It must be understood by stakeholders that the financial crisis will have a significant impact on DIOS activities. This may be an example where an independent board of governance, if it were to exist, could examine the situation and look at quarantining funds for the function of oversight. Again, the ACIO has been briefed on this situation and is supportive.

7. It is suggested that with appropriate funding, resourcing and support, there is potential for DIOS to contribute further support for resolving the financial crises, through more reassurance to stakeholders of the provision of transparency and accountability, further demonstrating UNRWA achievements, as well as through the identification of more savings.

8. The proposal for centralized investigation (previously discussed, and briefed to Ad Com some months ago) is one project that has consensus among all stakeholders, but has had to be postponed due to fiscal pressures. It is suggested that with appropriate funding, resourcing and support, there is potential for DIOS to contribute to resolving the financial crises, through reassurance to stakeholders of the provision of transparency and accountability, as well as through the identification of savings.

## overall comment

9. Work in 2017 progressed satisfactorily. Several serious investigations took place, and were resolved. Evaluation activities continued, and the audit division was in a stage of rebuilding, with the appointment of a new Chief, and new senior staff, and consolidating their efforts. 2018 should be a more productive year for the audit division. Ethics Office, while independent, has contributed significantly to rolling out various training programs to raise UNRWA staff awareness of ethical issues and dilemmas, and has responded to numerous advice requests from managers and staff across the agency.

10. DIOS has attempted to focus on ensuring various recommendations from audit, evaluation and investigations are carried out and acquitted. This work is continuing with support from the Fields and Departments, but in relation to investigations in particular, it is of concern that the findings of some serious investigations were not adjudicated or acted on, with some remaining outstanding for over 12 months. This goes to the heart of the workforce having confidence in the

system. The Executive Office and DLA are aware of the situation, and it is hoped in 2018 this will be addressed.

# investigation activities

## background

11. DIOS is responsible both for conducting centralized investigations into misconduct of UNRWA staff, as well as providing technical advice, guidance and training to Field Offices (and the Human Resources Department in headquarters) in the conduct of decentralized investigations, performed under the authority of the Field Director and using Field Office staff. DIOS is also responsible, under Organizational Directive No. 14, to maintain a confidential registry of all misconduct allegations.

12. In 2017, the DIOS Investigation Division comprised the Chief (P-5), two Senior Investigators (P-4), one Investigator position (P-3), two area investigators (G17) and one Administrative Assistant for the entire year. In essence, this meant only five professional investigators in addition to the Chief were able to support the investigative function in the Agency. As will be seen later, as a result, DIOS was only able to conduct a small portion of the Agency's misconduct investigations. DIOS also relied on the Vienna Office of Internal Oversight Services (OIOS) of the United Nations to support it on occasion.

## limitations

### decentralized investigations

13. As reported in previous years, the conduct of decentralized investigations by Field Offices raises some unique issues, and the influence and support from DIOS is limited. Risks still exist in the conduct of decentralized investigations by operational staff, both in terms of the technical skills of these investigators, and their lack of independence from Field Office Senior Management. In 2017, DIOS engaged in consultations with all relevant stakeholders, primarily Field Offices, with respect to potentially centralizing all investigations within DIOS. All Field Offices, as well as the Department of Human Resources and Legal Affairs agreed, and the Executive Office also agreed to the idea in principle. As a result, DIOS made preliminary proposals to the Executive Office, in order to carry out this centralization and secure the significant resources necessary for it. However, given the developments in terms of funding and finances of the Agency, these efforts and discussions had to be placed on hold.



## overview of investigation activities

### new cases recorded in 2017

14. In 2017, the Agency handled 367 allegations, distributed according the following table:

Category	DIOS	GFO	HQA	JFO	LFO	SFO	WBFO	Total
Abuse of Power	7	5	0	4	1	13	5	35
Abuse of Privileges and Immunities	0	0	0	0	0	0	2	2
Assault (Physical)	1	5	0	5	0	0	2	13
Breach of Confidentiality	0	1	0	0	0	1	3	5
Breach of Neutrality	5	9	0	16	17	6	2	55
Conflict of Interest	1	0	0	0	0	0	0	1
Corporal Punishment	4	14	0	25	23	4	17	87
Discrimination	0	1	0	0	0	0	0	1
Entitlement Fraud	0	1	0	5	1	0	0	7
Failure to Comply with Professional Standards	3	28	0	5	8	0	2	46
General Fraud	18	3	0	4	2	3	2	32
Harassment (not sexual)	2	6	0	1	1	2	4	16
Medical Insurance Fraud	1	0	0	0	0	0	0	1
Mismanagement	0	1	0	0	0	1	1	3
Other	3	0	1	5	0	1	3	13
Outside Activity	0	5	1	0	0	1	1	8
Procurement Irregularities	0	0	0	0	1	0	0	1
Recruitment Irregularities	1	0	0	0	3	9	0	13
Retaliation	3	1	0	0	0	0	0	4
Sexual Exploitation and Abuse	8	0	0	0	0	1	0	9
Sexual Harassment	0	1	0	0	0	1	1	3
Theft	0	8	0	1	0	0	1	10
Waste of Resources	0	1	0	0	0	0	1	2
Willful Damage of Agency Property	0	0	0	0	0	0	0	0
Grand Total	57	90	2	71	57	43	47	367

Table 1: Number of allegations handled in 2017 (distributed by field office)

15. The total number of allegations received has continued to increase steadily, showing a 15 percent increase compared to 2016 (317). Most of this increase, however, is due to an increase in Breach of Neutrality cases, which have increased from 16 to 55, but it is important to note that a large proportion of these cases relate to violation that took place in 2016 or earlier, and were only brought to the attention of the Agency in 2017. These cases were therefore promptly recorded and do not therefore represent a “real” increase in the number of staff allegedly involved in such misconduct in 2017. Corporal Punishment cases continue to be the highest type of allegation received by the Agency in all Field Offices except Syria, reaching close to 24 percent of the total allegations received. The Agency has been discussing various initiatives to prevent such cases, but with limited success. They continue to constitute a significant protection challenge for the Agency, and highlight the support needed by DIOS and the Agency to increase its capacity in handling these allegations.

## cases closed in 2017

16. The following table shows the number of cases closed in the Agency in 2017:

Category	DIOS	GFO	HQA	JFO	LFO	SFO	WBFO	Total
Abuse of Power	4	6	0	6	0	6	3	25
Abuse of Privileges and Immunities	0	1	0	0	0	0	0	1
Assault (Physical)	1	13	0	5	0	0	3	22
Breach of Confidentiality	2	0	0	0	0	0	3	5
Breach of Neutrality	4	20	0	13	15	4	9	64
Corporal Punishment	3	27	0	23	16	6	14	89
Discrimination	0	1	0	0	0	1	0	2
Entitlement Fraud	0	1	0	4	0	0	0	5
Failure to Comply with Professional Standards	4	31	0	6	3	2	2	48
Financial Irregularity	0	0	0	1	0	0	0	1
General Fraud	13	10	0	3	1	5	0	32
Harassment (not sexual)	3	10	1	5	0	6	4	29
Medical Insurance Fraud	1	0	0	0	0	0	0	1
Mismanagement	0	1	0	0	0	1	1	3
Other	2	0	0	5	0	1	1	9
Outside Activity	0	4	1	0	0	0	1	6
Procurement Irregularities	0	0	0	1	0	0	0	1
Recruitment Irregularities	1	0	0	0	0	18	0	19
Retaliation	3	1	0	0	0	0	0	4
Sexual Exploitation and Abuse	10	0	0	0	1	0	0	11
Sexual Harassment	0	1	1	0	0	1	0	3
Theft	0	4	0	0	2	0	0	6
Waste of Resources	0	1	0	0	0	0	1	2
Willful Damage of Agency Property	0	1	0	0	0	0	2	3
Grand Total	51	133	3	72	38	51	44	392

Table 2: Number of cases closed in 2017



17. DIOS also examined the time necessary to close the cases listed in Table two. Since the length of time can vary greatly depending on the complexity of the case, from a few days or weeks to many months, DIOS used the benchmark of 6 months, and calculated how many of these cases were completed within six months.

18. In essence, the decentralized cases (non-DIOS) took on average 357 days to complete (approx. 12 months), and only 32.6 percent of these cases were completed within six months, which is a significant improvement to the time taken in 2016. It is still, however, much less than the 68.1% of cases completed within six months for DIOS, with an average of just six months per case.

Responsible Entity (Field Office or HQ Dept)	Percentage Of Cases Closed within 6 months	Average Number of Days to Complete
DIOS	68.1	171.82
Gaza	21.8	450.48
Jordan	59.7	303.29
Lebanon	21.1	264
Syria	31.4	283.24
West Bank	31.8)	336.43
HQ (human resources)	33.3	319.33

Table 3: Required time to close cases in 2017

## cases still open at the end of 2017

19. Finally, table four shows the number of cases still open at the end of 2017:

Category	DIOS	GFO	HQA	JFO	LFO	SFO	WBFO	Total
Abuse of Power	6	5	0	1	1	8	7	28
Abuse of Privileges and Immunities	0	0	0	0	0	0	2	2
Assault (Physical)	0	8	0	2	0	0	7	17
Breach of Confidentiality	0	1	0	0	0	1	2	4
Breach of Neutrality	2	14	0	4	3	3	11	37
Conflict of Interest	1	0	0	0	0	0	0	2
Corporal Punishment	2	25	0	13	17	8	12	77
Entitlement Fraud	0	2	0	1	1	0	0	4
Failure to Comply with Professional Standards	1	19	1	3	9	0	12	45
General Fraud	8	9	0	3	3	6	2	31
Harassment (not sexual)	1	5	0	0	1	5	11	23
Mismanagement	0	2	0	0	0	0	2	4
Other	1	1	1	3	0	0	3	9
Outside Activity	0	3	1	0	0	1	3	8
Procurement Irregularities	0	1	0	0	1	0	0	2
Recruitment Irregularities	1	0	0	0	4	1	1	7
Retaliation	1	0	0	0	0	0	1	2
Sexual Exploitation and Abuse	0	0	0	0	1	1	0	2
Sexual Harassment	0	5	0	0	0	0	1	6
Theft	0	8	0	1	1	0	4	14
Waste of Resources	0	1	0	0	0	0	3	4
Grand Total	24	109	3	31	42	34	84	327

Table 4: Number of cases still open (as of end of 2017)

20. These figures show that the Gaza Field Office continues to be the field receiving the most allegations, and despite the considerable efforts it has made in 2017, closing over 100 cases, it still faces more than 100 open cases. The West Bank Field Office is the field having the most difficulties coping with its caseload, with only 44 cases closed in 2017, leaving it with more than 80. The other fields have been consistent in terms of new cases received and cases closed.

## dios investigation division cases

21. As noted above, DIOS has completed work on 51 cases in 2016. Thirteen (12) of these cases were substantiated and administrative and/or disciplinary action recommended in these cases. The majority of the others were closed either after a preliminary assessment concluded that a full investigation was not warranted, or unsubstantiated following a full investigation. The remaining cases were recorded for information, referred to the field office after a preliminary assessment, or recommended for a management intervention.

Unfortunately, out of these 13 cases, only have given rise to action by management, with 10 of these cases still pending as of 31 March 2018, despite some having been completed as early as April 2017, as seen in the following table.

Fied Office	Allegation	Date of report	Status (as of 31 March 2018)
JFO	Sexual Exploitation and Abuse	11 April 2017	Pending
	Fraud	16 October 2017	Completed
	Fraud	8 November 2017	Pending
WBFO	Sexual Exploitation and Abuse	27 July 2017	Pending
	Fraud	31 August 2017	Pending
	Harassment/Abuse of Authority	5 September 2017	Pending
	Sexual Exploitation and Abuse	8 November 2017	Pending
GFO	Breach of Neutrality	10 April 2017	Completed
	Failure to Comply	11 June 2017	Pending
LFO	Failure to Comply	24 April 2017	Completed
	Failure to Comply	20 June 2017	Pending
HQA	Failure to Comply	1 June 2017	Pending
	Fraud	26 October 2017	Pending

Table 5: 2017 cases where management action took place

22. In addition, two cases are still pending with the Executive Office from before 2017.

## other activities

23. The Investigation Division was also involved in a number of other initiatives, both within the Agency and within the wider United Nations Investigations Network.

24. Within the Agency, it has developed, with the support of other colleagues, Standard Operating Procedures to enhance the reporting and response to allegations of violence and sexual exploitation and abuse against beneficiaries. It is also a member of various other initiatives, including a Task Force against Sexual Harassment and Sexual Exploitation and Abuse, as well as Violence against Children.

25. DIOS has also represented the Agency at the United Nations Representatives of Investigations Services, where it is a member of a Task Force tackling the response to Sexual Exploitation and Abuse allegations, and was also an active participant at the last Conference of International Investigators, where DIOS staff made formal presentations.

## the way forward

26. DIOS has managed to handle the more serious cases of misconduct in the Agency in a satisfactory manner, both qualitatively and quantitatively. Unfortunately, the current capacity of its investigation section only allows it to handle a fraction of the Agency's allegations. DIOS is also hampered by the slow implementation of its disciplinary recommendations, which give staff the impression that the matter has not been addressed for a long time, even if the investigation had been completed. DIOS is also hopeful to renew the discussions with the Executive Office regarding a potential centralization of the investigation function.

# evaluation

## overview

27. The evaluation function in UNRWA is governed by an institutional framework consisting of the organizational directive 14 setting out the objectives of all oversight functions, supplemented by the evaluation policy that stipulates the details of the evaluation function. At the practical level procedures are governed by the Quality Assurance Procedures that lay out how the centralized and decentralized evaluation function conduct their work.

28. Commitments towards the crucial role of evaluation are also included in the Medium Term Strategy 2016 – 2021, the ACIO annual report, UNBOA assessments, and the management response to the Peer Review document of UNEG assessing the evaluation function in UNRWA.

29. The UNRWA Organizational Directive 14 states that the Evaluation Division has functional leadership and oversight over the evaluation function at UNRWA. This consists of the central evaluation function in DIOS, and the decentralized evaluation functions in headquarters' departments and in field offices.

30. The evaluation function aims to provide accountability for internal and external stakeholders, and to contribute to learning within the Agency. The accountability aspect focuses on the use of funding to achieve results, while the learning aspect provides the evidence needed to improve Agency projects, programmes and emergency interventions. The findings and recommendations generated through evaluations provide important inputs to improve UNRWA service delivery.

31. To achieve this, evaluations seek to determine the relevance, effectiveness, efficiency, impact and sustainability of on-going and completed projects, programmes, emergency responses, strategies and policies. Evaluations examine expected and achieved accomplishments, results chains, processes, contextual factors and causality.

## results in 2017

32. 2017 has been a year of mixed results in terms of the evaluation function. Good progress has been made on the capacity building of the evaluation function with new processes and achievements especially with regards to the decentralized evaluation function. The strategic evaluations on the other hand have faced significant challenges.

**33. Capacity building:** The capacity of UNRWA to conduct quality evaluations and to learn from results has been strengthened in 2017. The recommendations follow up has resumed with regularity and good results have been achieved. The commitment to make all evaluations public has been achieved with the decentralized evaluation completed in 2017 being available on the internet. Progress has been made to

initiate the change of the reporting lines of the decentralized evaluation function to DIOS.

**34. Decentralized evaluations:** The decentralized evaluation function was able to work on three of the 14 evaluations in the workplan of which one was finalized in 2017. The implementation of the workplan remained ad hoc and relied on funding being embedded in projects and a willingness of Field Offices to implement evaluations. Jordan Field is the only field that has been able to implement significant portions of its evaluation plan. In Jordan Field the evaluation of the project Improvement of the Living Conditions of Vulnerable Refugees in Jerash Camp was finalized in 2017 and the first decentralized evaluation on the internet. The evaluation of Replacing Rented Schools in Jabal al Taj has been progressing well throughout 2017 and will be finalized in 2018. Syria field had not been able to move forward on the four planned evaluations due to limitations on the use of consultants. The evaluation division in headquarters has assisted Syria field in the evaluation of one of the topics the Engaging Youth initiative. This evaluation is planned to be completed in 2018. West Bank field after some consultations cancelled planned evaluations, Lebanon field reclassified planned evaluations as assessments, and Gaza field with some delay has moved forward to evaluate the Gender Initiative and the evaluation will be finalized in 2018. The evaluations planned for headquarters departments did not materialize.

**35. Strategic evaluations:** Despite the greatly reduced ambition with regards to strategic evaluation, evaluation division in 2017 was not able to complete a strategic evaluation. The only evaluation from the medium term evaluation plan that moved forward was the evaluation of the oPt Emergency Response. Rather than contracting this to a consulting company, in an attempt to save resources the evaluation division aimed to conduct much of the work itself with the help of one consultant for a critical area that the evaluation division did not have expertise (protection). However, the input from the consultant was significantly delayed and at the time it was available the evaluation division was asked by senior management to focus on a previously unplanned strategic evaluation of the food to cash transition. The evaluation division does not have the capacity to address this evaluation in the first half of this year, and it is uncertain what the situation will be in the second half.

36. In 2016 when the Agency decided to move from food to cash distribution in Jordan, West Bank and Lebanon fields senior management committed to hosts and donors that this move will be evaluated. During early 2017 DIOS got engaged and ensured that this strategic evaluation would be managed by the evaluation division. After the clarification of the roles and responsibilities DIOS has formed a steering committee for the evaluation, drafted terms of reference in close cooperation with internal and external stakeholders and completed the procurement. The inception phase for this evaluation had started in December 2017 and the evaluation is planned to be completed in June 2018.

**37. Resources:** Despite the commitments of UNRWA to provide resources to evaluation as mentioned in the Medium Term strategy, the evaluation policy, organizational directive 14, and the management response to the peer review the resources available for 2017 did not allow DIOS to evaluate items as identified in the medium term plan for strategic evaluations, or select topics for decentralized evaluations that are not mandated by donors. In addition during the second half of 2017 travel was severely restricted due to the inability of UNRWA to obtain visas for West Bank and Gaza fields.

## results from evaluations

38. The evaluation of the project Improvement of the Living Conditions of Vulnerable Refugees in Jerash Camp found that the project was able to deliver on its objectives but that there are several areas where improvements are possible in particular around the process of construction management.

## status of recommendation implementation

39. Overall the implementation of the recommendations has made good progress. Except from the evaluation of the Fleet Management), all older recommendations were closed in 2017. The process in 2017 has been very smooth with the recommendation follow up being efficient and effective and only the client that is new to the process in 2017 needing some additional explanations about the purpose and requirements. Some of the highlights regarding implementation of recommendations are:

- Keeping the recommendations of the Fleet Management Review open for a long time has enabled UNRWA to continue to work on a transport policy and organizational structure for fleet management that will be appropriate and has sufficient buy in. This has also enabled UNRWA to continue pushing for a complete rollout of feetlog and fleetwave including to Syria.
- For the Evaluation of the Organizational Structure in LFO the remaining open recommendations were closed in 2017 (6 of 12 overall). This resulted in an improved set up of the decentralized evaluation function in LFO, a revised approach to the communication function, strengthened project management, clearer guidance task distribution on financial support including responsibilities on financial reporting according to IPSAS and REACH responsibilities.
- The recommendation follow up of the Resource Mobilization Strategy Evaluation resulted in the closing of the remaining open recommendations (4 of 7) in 2017. Key results of this are the availability of the strategy in English and Arabic, an annual costed workplan and reporting schedule, and that after many years of discussion a PSC policy has been agreed and issued.
- The Health Department in coordination with Human Resources Department closed the last open recommendation regarding

the revised salary scale after the transition to the Family health model in 2017.

- Addressing the recommendations of the e-Health evaluation is on track. There has been progress on the integration of the e-Health system in other IT systems of UNRWA as well as host government systems, a governance structure for the e-Health has been created and a streamlining of the versions used by different clinics. These improvements enable the development of a reporting tool which is on track.
- With regards to the Security Risk Management evaluation, the recommendations have formed the backbone of the strategy and workplan of the Security and Risk Management Department and steady progress has been made to implement the recommendations. Highlights of the implementation in 2017 are the adoption of a framework of accountability and subsequent awareness raising sessions. The development of a best practice guide is on track and the rollout of Security Risk Assessments that are suited to the situation of UNRWA has been completed. The Security and Risk Management Department has adopted a transparent tracking tool to monitor progress against workplan. The progress on other recommendation is generally on track.
- The 2017 evaluation of the Improvement of living conditions of vulnerable Palestine refugees in Jerash camp was issued in June 2017 and included in the fall recommendation follow up. This has been complemented by similar recommendations from an audit that followed this recommendation. Initial results of the recommendations have shown improvements in the contracting procedures. Many of the processes in the follow up projects REPAC VII and VIII have already been adapted to reflect the recommendations of the evaluation. Most notably a project steering committee that will improve the oversight of projects above US\$ one million and of complex projects. Overall progress is on track and it is expected that additional recommendations will be closed early 2018.

Year	Evaluation	Total recommendations	Open recommendations (December 2017)
2012	Organizational Development Evaluation	10	0.0
2011	UNRWA Fleet Management Review	11	6.0
2013	Medium Term Strategy Mid-Term Evaluation	12	0.0
2014	High Level Evaluation of the Organizational Structure in LFO	12	0.0
2014	Evaluation of the Family Health Team Approach	9	0.0
2014	Evaluation of the Emergency Cash Assistance Component of the Syria Emergency Response Programme of UNRWA	13	0.0
2015	Analyzing the cash component of PVPR	10	0.0
2015	Resource Mobilization Strategy Evaluation	7	0.0
2016	Evaluation of the e-health project	7	3.0
2016	Evaluation of the Security Risk Management Programme	5	2.9
2017	Improvement of living conditions of vulnerable Palestine refugees in Jerash camp	12	9.5

Table 6: Status of implementation of recommendations in 2017 (evaluation)



# assurance and advisory services

## background

40. Assurance and advisory services division (AAS) is a centralized function operating from headquarter Amman with a mandate to provide assurance and advisory services for headquarter's departments and various field offices / programmes within UNRWA. The internal oversight functions of AAS are entrusted to DIOS whose director reports and is accountable to the Commissioner General, who is advised by the ACIO.

41. AAS aims to add value, support achievement of the mission of UNRWA and fulfillment of its objectives through independent and objective assurance and advisory services that assesses the effectiveness and efficiency of UNRWA's governance, risk management, controls and processes. The scope of work includes assurance and advisory services.

## results in 2017

42. During 2017, AAS experienced a complete turnover of all senior resources from Chief to Senior Auditors and had very limited capacity for a significant part of the year. The one remaining international staff with institutional knowledge left in 2017. The new Chief of AAS was on boarded in Q3 2017, and the P4 Senior Auditor joined in December 2017. Consequently, there has been significant delay in finalization of reports as well as execution of planned assignment. Moreover, after an internal gap analysis of the prior audit practices, the division adopted a revamped approach to assignments towards the end of the year, with enhanced emphasis on processes and controls. This also resulted in revision of scope for assignments already carried out and increased focus during the planning stage on understanding of processes and associated controls.

43. Progress was made with regards to capacity building, training and professional development of auditors as the division secured funding at the end of 2017 to develop a comprehensive framework, including an audit manual and detailed guidance material on the execution of key AAS activities.

## audits and inspections completed

44. Audit of waivers in procurement and implications on procurement planning and Budgeting processes for projects and emergency funds: The audit has been re-scoped to reflect subsequent risk discussion and completed with one sub-process to be carried to 2018 (medical procurement planning). Management action plan with stakeholders has been agreed. Due to the fluidity in light of restructuring in one of the key divisions involved and internal quality review, the issuance of

the report has been delayed until 2018.

45. **Inspection of the Cairo office:** DIOS conducted an inspection of the UNRWA Cairo Liaison Office in Egypt, as requested by the director of the external relations and communications department and approved by the commissioner general. The findings of the inspection revealed a pattern of mismanagement of Agency resources, misrepresentation, and conduct not befitting of a civil servant. These findings were similar to the findings of the 2004 broad based review of the Cairo Liaison Office conducted by DIOS. Pursuant to the issuance of the 2017 report, immediate action was taken by management to rectify the situation, and several recommendations from the report have been closed.

46. **Inspection of 3 Education Training Centres at the West Bank Field Office:** 2 Inspection reports have been issued (KTC and RMTTC) with one remaining not executed due to other priorities. Objective of the inspection was to provide management with assurance that assets are properly safeguarded, key business processes are being performed in compliance with relevant rules and regulations, and that operations are efficient with minimal waste. The inspection revealed that the internal controls and governance management process were generally established and functioning. However, the inspection did identify areas for improvement including the need to update old UNRWA rules and regulations which are not relevant with the current programs, resulting in the centres developing their own procedures to govern the vocational and technical activities. Furthermore, the absence of structure to manage and administer the centres' main revenue was also identified. Lastly, the inspection noted various weaknesses in the security and safety conditions.

47. Audit of Procurement and Construction Management Processes for Construction and Maintenance contracts at the Lebanon Field Office: AAS completed the field work for this audit and made various recommendations including improvements in planning of the procurement process by conducting adequate market research, updating regular cost estimates and proactive sourcing of vendors. Management action plan with stakeholders has been agreed. Due to the fluidity in light of restructuring in one of the key divisions involved and internal quality review, the issuance of the report has been delayed until 2018.

48. Other audit activities:

- 2016 Financial Audit of Micro Finance Department accounts: The financial audit on the 2016 annual financial statements for Micro Finance accounts was completed and the report was issued. DIOS used a long term agreement with an external service provider to perform this audit.

• DIOS collaborated with IMD and engaged the UN International Computing Centre to conduct an assessment on UNRWA's Information Technology Security Posture focusing on infrastructure. The assessment was completed in early 2018 and identified 24 recommendations in total with 11 high, 10 medium and three low risk categories (security risks related to network, firewall, and windows directory). UN International Computing Centre has also recommended a roadmap and estimated timeline for implementing the above recommendations depending on the resources available at UNRWA which will be used by AAS to conduct follow up Information Technology audits accordingly.

## capacity development & establishment of the professional practices framework

49. Development of Audit Manual: Funding was secured at the end of 2017 from an external donor and AAS has defined clear terms of reference to engage external experts with extensive experience within the UN or with supreme audit institutions to develop a structured, comprehensive framework in the form of an integrated internal audit manual. This manual should provide an end-to-end bird's eye view of the entire spectrum of internal audit activities from planning to reporting, information on internal audit techniques, standardized templates, checklists and forms, audit review chain as well as more detailed guidance on steps of the audit process, standards and procedures to be followed and adhered to. Through incorporating the International Standards for Professional Practices of Internal Auditing of the Institute of Internal Auditors, and good practices applied by other agencies in the UN system, the manual will serve as a road map for conducting all future engagements in the AAS.

50. Capacity development of AAS: Funding was also secured at the end of 2017 for a suite of capacity development activities, ranging from Certified Fraud Examiner exam course, to Chartered Institute of Procurement and Supply Level two Certificate in procurement and supply operations, to obtain specified operational knowledge of high risk processes for AAS staff.

51. In 2017, AAS built on the recommendation consolidation and clean up executed in prior year and started the internal tracking and organizing of outstanding recommendations in an Access database to better present and monitor implementation status.

52. Follow up of recommendations for select assignments: As per the 2017 AAS work plan, a detailed follow up of recommendations were performed, using regular recommendation follow up procedures. As a result, all recommendations on the Areas Staff Provident Fund and on the Parallel Education Programme managed by the Jordan Field Office have been closed. As at yearend 2017, 80 recommendations remained open, the majority of which relate to recommendations issued in 2017 pursuant to the Inspection of Training Centres in the West Bank

Field Office.

## methodology

53. The methodology for the conduct of audit work is based on a risk-based approach in accordance with Institute of Internal Audit standards. This is done across all four stages: planning, fieldwork, reporting and recommendation follow up.

54. During the planning stage, the auditors develop and document a plan for each engagement, including the objectives, scope, timing and resource allocation. These involve understanding the processes, objectives, risks and controls associated with the assigned audit area through review of various sources of information including survey, walkthrough of the processes, interview with process owners and review of documents. This process would entail initial discussions with management accountable for the audit area. It is worth to note that from late 2017, AAS started the consistent implementation of processes' understanding and documentation as part of audit planning and risk assessment, before starting field work.

55. During the audit fieldwork stage, the audit team gathers information about the auditable unit operations, reviews the unit's functions, and identifies both strengths and weaknesses. This work includes reviewing financial activity, administrative and business procedures, overall unit functions, and other activities specific to each section in the unit. The audit is executed through inquiries with relevant personnel, review of policies and procedures, testing of sample transaction, examination of supporting documents, etc. This phase allows the AAS staff to assess the risk and evaluate the unit's internal controls including review of policies and procedures, all of which are discussed with the client prior to conclusion of the fieldwork. The fieldwork stage would end with an exit meeting discussion with management on the preliminary audit observations.

56. During the reporting stage, the AAS team prepares a draft audit report which is initially reviewed by the Senior Auditor and submitted for secondary review by Chief, AAS before dissemination of the draft report to the client. This is to ensure that the results of the audit are supported by sufficient, reliable, relevant information and communicated in an accurate, objective, clear, concise, constructive, complete and timely manner. Once the findings are agreed upon and management responses are received, the final report is issued to the client after a review by the Director of DIOS. The AAS reports follow the four-tier rating systems adopted by the UN RIAS for audits across the UN system.

57. A key part of the AAS mandate is to ensure that appropriate action has been taken on recommendations addressing risks identified during the audit. The client is required to develop an action plan to implement the audit report recommendations prior to issuance, and to report on the status of implementation of the action taken on the recommendations until successful closure of every recommendation as mutually agreed by DIOS and the client. The AAS team closely monitors the status of the implementation of the recommendations by regular follow-up activities with clients to assess status of implementation within agreed timeframe in accordance with an internally established procedures.

58. For the reporting period, six local resources were available full time. The new Chief of AAS was appointed in Q3 2017, and the P4 Senior Auditor joined in December 2017. AAS also benefitted from a consultant during the transition period prior to on boarding of the Senior Auditor. There is currently a vacancy for a second Senior Auditor, the recruitment for which is still ongoing. During the absence of senior staff (before Q3 2017), necessary changes were made in the interim leadership with a local G17 staff temporarily acting as officer in charge for AAS.

## the way forward

59. Towards the end of 2017, AAS started the rebuilding of the division. Despite of the challenges, AAS was able to respond timely to management's request and completed the urgently needed inspection assignment resulting in the immediate impact.

60. As AAS proceeds with the development of framework and methodology, the division has started to adopt a revamped approach to assignments, with enhanced emphasis on processes and controls.

61. We hope to stabilize the division in 2018 and clear the backlog as well as implement a more structured approach to assignments in the attempt to better fulfill our mandate.

# annex 1: ethics office

## introduction

1. The present report, the tenth since the designation of an Ethics Officer in UNRWA in January 2008 and the ninth since the establishment of the UNRWA Ethics Office in September 2009, is submitted pursuant to UN Secretary-General Bulletin ST/SGB/2007/11 and UNRWA Organization Directive 30, requiring annual reporting on the activities of the Ethics Office and the implementation of related policies. The report also responds to the request of the UNRWA ACIO to be kept regularly informed about the work of the Ethics Office.

2. In accordance with its mandate to help nurture a culture of ethics, integrity and accountability within the Agency, the present report provides an overview and assessment of the work and achievements of the Ethics Office over the reporting period.

3. A draft of the report was reviewed by the Ethics Panel of the United Nations (EPUN) in accordance with ST/SGB/2007/11. The report will be appended to the annual report of the Department of Internal Oversight Services and will be submitted to the Commissioner-General and to the UNRWA Advisory Commission.<sup>1</sup>

## background and general information

4. An increased emphasis on integrity and ethics within the United Nations is a crucial component of the Secretary-General's ongoing efforts to reform and strengthen the organization. This comes at a time when organizations all over the world, both public and private, are taking a closer look at organizational ethics. Against this backdrop, the Secretary-General established an Ethics Office at the United Nations Secretariat in 2006. This was followed in 2007 by an instruction to all funds and programmes, including UNRWA, to establish their own separate ethics offices (ST/SGB/2007/11 refers).

5. Following the promulgation of this instruction, the Commissioner-General initially designated the Agency's General Counsel as Ethics Officer in addition to the latter's regular duties. Effective 1 September 2009, a separate Ethics Office was established in UNRWA, with its terms of reference contained in Organization Directive 30, promulgated on 11 April 2011.

6. The Ethics Office is administratively attached to the Department of Internal Oversight Services (DIOS), although it operates independently and with full impartiality and

confidentiality as required by ST/SGB/2007/11 and Organization Directive No. 30. The Chief of the Ethics Office has full and unrestricted access to the Commissioner-General and has the opportunity to refer matters to the Chairperson of EPUN, of which the Chief, Ethics Office is a member.

7. The Chief of the Ethics Office provides regular updates of the office's work plan and achievements to the ACIO, which represents a measure of oversight with respect to its functioning and further enhances the independence of the office. In 2017, the Ethics Office provided briefings to the ACIO during its two face-to-face meetings. During its December meeting, the ACIO expressed appreciation for the achievements of the Ethics Office during 2017, commending in particular its extensive activities in the area of ethics awareness and education.

8. The overall objective of the Ethics Office is to assist the Commissioner-General in nurturing a culture of ethics, integrity and accountability, and thereby to enhance the trust in and the credibility of UNRWA, both internally and externally. The Ethics Office fulfills this mission by providing services to management and individual staff members in five areas:

- Confidential ethics advice and guidance;
- Financial and outside interest disclosure;
- Protection against retaliation;
- Training, education and outreach;
- Policy support and standard setting.

9. The Ethics Office also has a number of responsibilities related to the Agency's policies on protection from sexual exploitation and abuse (SEA) of beneficiaries<sup>2</sup> and on the prohibition of discrimination, harassment – including sexual harassment – and abuse of power in the work context, hereinafter collectively referred to as Prohibited Conduct.<sup>3</sup> As these cut across other aspects of the Office's mandate, related activities are reported under the main headings mentioned above. Statistics on allegations of SEA and Prohibited Conduct are provided in the annual report of DIOS.

10. The Ethics Office comprises the Chief, at P-5-level, an Ethics Officer (grade 17) and an Administrative Assistant (grade 11). In addition, two interns supported the work of the office during parts of the year. During 2017, the Ethics Office had a non-staff budget of US\$ 25,000.

<sup>1</sup> The Advisory Commission comprises representatives of UNRWA's hosts and major donor.

<sup>2</sup> General Staff Circular No. 7/2010 – Sexual Exploitation and Abuse Complaints Procedure.

<sup>3</sup> General Staff Circular No. 6/2010 – Prohibition of Discrimination, Harassment – including Sexual Harassment, and Abuse of Power.

## activities of the ethics Office

11. In 2017, the office received a total of 316 requests for its services, a slight increase in comparison to 2016. As reflected in Figure one below, the demand for the Office's services has stabilized during the last five years. The Ethics Office continued to be increasingly approached by managers with requests for advice, training and other support. After the initial focus, during its first five years of operations, on raising general staff awareness of the standards of conduct, ethical decision-making and avenues for addressing staff concerns, the focus over the past years has shifted to the development of ethical leadership and other support to managers and supervisors.

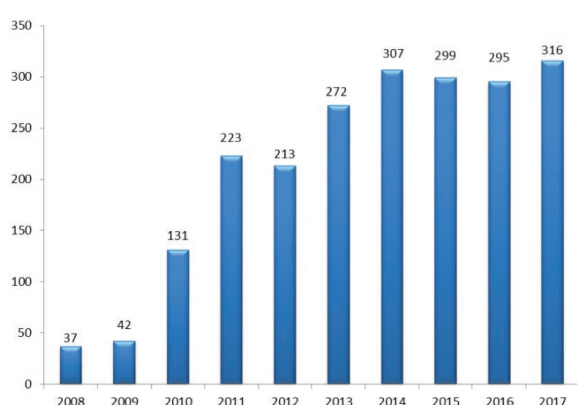


Figure 1 - Overall requests for Ethics Office services by year (2008 – 2017)

12. In line with the mandate of the Ethics Office, requests for services covered a broad range of categories: ethics advice (178 requests), training and outreach (67), protection against retaliation (PaR) for reporting misconduct and for cooperating with duly authorized audits or investigations (14), requests from EPUN members (coherence) (14), policy support and standard setting (13), matters in respect of which the Ethics Office was alerted (21), and general information and other (9). Figure 2 provides a breakdown of requests by category. In addition to recorded requests for services, the Ethics Office has also responded to a large number of emails and phone calls with respect to the administration of the UNFDP, the Area Staff Declaration of Interest Programme, and the roll-out of the new e-course on social media and neutrality and the existing ethics e-course.

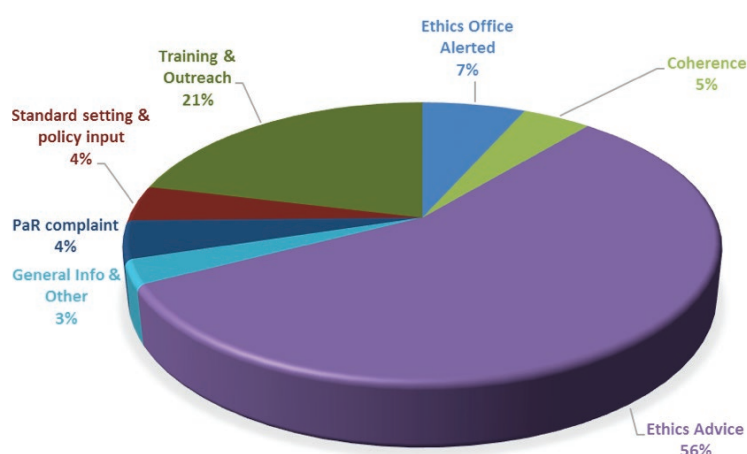


Figure 2 - Requests for services from the Ethics Office services 2017.



## advice and guidance

13. The Ethics Office serves as an independent, confidential and impartial office that represents neither management nor staff, and remains neutral and advisory in nature. The Office assists managers and other staff in upholding the highest levels of integrity, efficiency and competence by providing confidential advice on relevant standards of conduct and by clarifying staff and Agency obligations. In helping staff make decisions consistent with the values and rules of the Agency, the Ethics Office provides an essential risk prevention function.

14. The Ethics Office advises staff on various concerns, including actual or perceived personal conflicts of interest, engagement in outside activities, Prohibited Conduct, workplace issues and employment-related concerns. While providing a secure and confidential resource for staff, the Office does not replace existing mechanisms for reporting of misconduct or resolving of grievances. The independent and confidential nature of the Office facilitates its approachability and builds trust.

15. During the reporting year, the Ethics Office responded to 178 requests for confidential ethics advice, a ten percent increase in comparison to 2016. Figure three provides a breakdown of the various types of advice request. The Office continues to respond to requests related to prevention and/or mitigation of potential or actual conflicts of interests, including requests related to gifts and honours, outside employment and other outside activities. UNRWA has a decentralized system for the approval of requests for outside employment and outside activities, and related questions are mostly answered by human resources offices at field offices, which explains the relatively low number of advice requests on such matters reaching the Ethics Office. The Ethics Office continues to be regularly consulted by human resources managers in relation to outside activity and outside employment requests. The Ethics Office was also consulted a number of times about ethical aspects of proposed research involving beneficiaries as well as eligibility for UNRWA services.

16. Other categories of advice requests, which as in previous years continue to make up the largest percentages of the various request-types made to the Office, related to Prohibited Conduct, other workplace issues, and employment related concerns. In the UN and the other funds and programmes, such issues are frequently referred to the organizational ombudsperson, although the respective ethics offices deal with queries of this nature as well. In the absence of an ombudsperson at UNRWA, the Ethics Office has continued to deal with such requests within the confines of its mandate. Because the Ethics Office does not have the mandate to directly engage in the resolution of individual staff member grievances, the guidance provided by the Office was limited to drawing attention to the applicable policies, advising about options to address concerns through supervisors or other offices and/or referral to such offices. Where appropriate, the Office encouraged complaining staff to speak up and make use of these resources.

## financial and outside interest disclosure

17. UNRWA joins the UN and other funds and programmes in requiring staff members who are in positions of authority or who hold specific positions which entail financial decision making authority to annually disclose personal financial assets and outside affiliations and interests. Any international staff required to disclose are required to do so by participating in the United Nations Financial Disclosure Programme administered by the UN Ethics Office with support from the UNRWA Ethics Office. The UNRWA Ethics Office administers a separate programme for (locally-recruited) area staff required to disclose outside affiliations and interests. Both programmes promote staff awareness of conflict of interest situations and preserve and protect the integrity of the organization and participating staff, thereby maintaining and enhancing public trust in UNRWA.

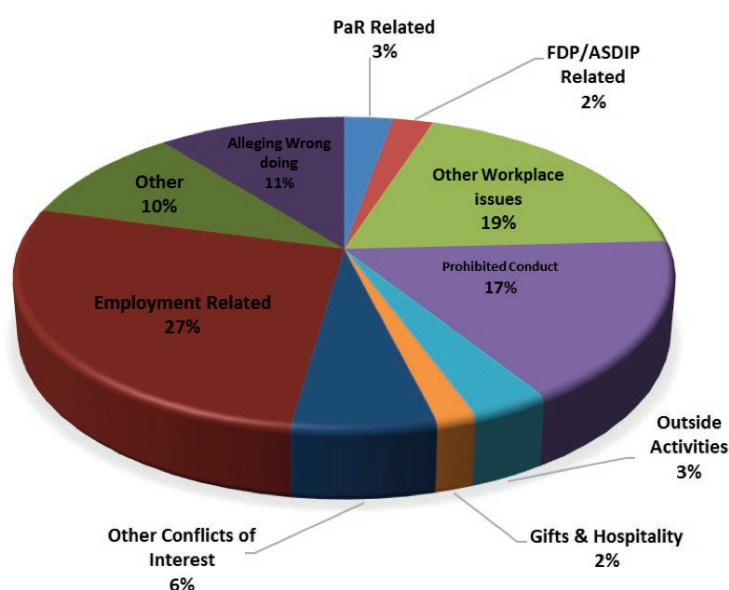


Figure 3 - Ethics advice requests (2017).



The Ethics Office, or a designated party in the case of international staff, reviews these disclosures in order to identify real or potential conflicts of interest, and provide advice accordingly.

18. 115 international staff members were required to file financial disclosure statements. This includes all staff members at the D-1 level and above, all staff (regardless of grade) whose principal duties include procurement and investment functions, and all staff with access to confidential procurement or investment information. All of them had fully complied with their filing obligations at the end of the programme closing date.

19. Of the area staff, those required to file a Declaration of Interest Form covering their outside affiliations and other interests include all those whose principal occupational duties involve procurement or investment functions, all those responsible for requisitioning and certifying requisitions of significant quantities of goods and/or services, and all those serving on contract committees. Based on these criteria and guidance from the Ethics Office, Field Office Directors and Headquarters Department Heads identified 876 staff members from headquarters and field offices, a 20 percent increase compared to 2016. By the end of the year, 837 staff members had submitted completed declaration forms, representing a 95.5 percent compliance rate. The non-compliant staff were all from one Field Office and the Ethics Office has reported the names of the non-compliant staff members to the respective Field Director for follow-up.

20. All 837 submitted forms were reviewed by staff from the Ethics Office. 282 potential conflicts of interests were identified, mostly related to family relationship issues, in addition to outside activities. Upon careful review of the disclosure forms and additional documentation, as well as consultation with the concerned staff members, the Office determined that in 271 cases no action was required. In 11 cases, proactive advice was provided to safeguard against a potential conflict of interest giving rise to problems in the future.

## protection against retaliation

21. UNRWA's policy for protection against retaliation<sup>4</sup> encourages UNRWA personnel to report misconduct and/or cooperate with authorized audits or investigations, without fear of reprisal. In promoting and providing protection for such reporting and cooperation, the policy enhances UNRWA's ability to investigate and remedy conduct that if otherwise left unaddressed could cause significant damage to UNRWA's operations and reputation. In accordance with the policy, the Ethics Office receives requests for protection against retaliation and conducts preliminary assessments to determine whether a complainant engaged in a protected activity and, if so, whether the protected activity was a contributing factor in causing the alleged retaliation. If the Office determines that a prima facie case of retaliation has been established, the matter is normally referred to DIOS for investigation.

22. The Ethics Office received twelve new PaR requests during the year, up from seven cases in 2016. In addition, the Ethics Office received seven PaR-related advice requests in 2017. The new requests originated from staff in all five fields of operations as well as headquarters and the increase in requests seems to signify increased awareness of the PaR policy and the role of the Ethics Office in relation to PaR matters. The Office also continued to work on preliminary assessments with respect to five cases carried forward from 2016 and followed up with respect to one case from 2015.

23. With respect to the 2017 cases, in one case the Ethics Office found that the allegations did not amount to a prima facie case of retaliation. This case was subsequently reopened at the request of the staff member and upon further review the original conclusion was confirmed. Two other cases were similarly closed with a determination that the allegations did not amount to prima facie cases of retaliation. In another case and with full agreement of the Ethics Office, the preliminary assessment was conducted by DIOS, which in parallel conducted a preliminary assessment of a number of serious allegations of misconduct against the staff member who submitted the retaliation complaint. The Ethics Office reviewed the preliminary assessment report and concurred with DIOS that the allegations did not amount to a prima facie case of retaliation. The other eight cases were pending at the end of 2017.

24. With respect to the cases from 2016, in one the Ethics Office found that the allegations did not amount to a prima facie case of retaliation; two cases were abandoned by the complainant after the Ethics Office requested additional information; the fourth case was closed due to the subject of the complaint having left the Agency; and the fifth case was closed after it was determined that the allegations of retaliation had effectively been investigated as part of a broader investigation.

25. In a case from 2015, where the Ethics Office reached a prima facie finding of retaliation, which upon investigation resulted in a partial finding of retaliation against two staff members and the implementation of a remedy in favour of the complainant, the Ethics Office followed up several times with the Field Office in question to make sure that the complainant was satisfied with the remedial action and that no renewed retaliation had occurred.

26. Although the number of PaR complaints remains relatively low, anecdotal feedback received during ethics awareness workshops continues to indicate that many staff members remain concerned about the possibility of workplace retaliation. Accordingly, during workshops on ethical leadership for managers and supervisors which the Ethics Office conducted during 2017, it highlighted the importance of the Agency's whistleblower protection policy in nurturing a speak-up culture.

<sup>4</sup> Incorporated in General Staff Circular No. 5/2007 on Allegations and Complaints Procedures and Protection against Retaliation for Reporting Misconduct and Cooperating with Audits or Investigations.

27. In 2017, the UN Joint Inspection Unit (JIU) initiated a whistleblowing policy review focusing on policies and practices for reporting misconduct and protecting those who report from retaliation across UN system organisations. During the reporting period, the Ethics Office coordinated the completion of a detailed JIU questionnaire regarding the above mentioned function, spoke with the JIU Inspector during the annual conference of the Ethics Network of Multilateral Organizations (ENMO) and coordinated a JIU visit to UNRWA headquarters in Amman in November, during which a number of UNRWA representatives were interviewed. Upon the release of the JIU report in 2018, the Ethics Office will take the JIU recommendations into consideration in updating the Agency's PaR policy, also in light of the recently updated PaR policy of the UN Secretariat.

## training, education and outreach

28. As reported in its 2016 report, the Ethics Office took the lead in developing a new mandatory, all staff, e-learning course on social media and neutrality, two issues representing a significant reputational risk to the Agency. The 90-minute interactive course was developed as one of the responses to requests from staff and unions for training and precise guidance on social media and neutrality. The e-course complements face-to-face training on social media and neutrality for managers and supervisors (see below). The development of the English version of the course was finalized early in the year, after which the course was translated into Arabic. In parallel, arrangements were made for the launch of the course. Contrary to ethics e-learning course which UNRWA has been rolling out since 2013, the new course is being administered online, using a learning management system (LMS), with arrangements being made by the Information Management Department. As this was the first time the LMS was to be used for a mandatory all-staff course, it was decided to launch the new course in stages. In August, the course was launched for all international staff, Agency-wide, and all area staff and other personnel at the three headquarters locations. This was followed by Syria in October and Jordan in November, with the roll-out in the other three Fields (Gaza, Lebanon and the West Bank) postponed until 2018. By the end of 2017, 8,191 staff and other personnel had successfully completed the training, including its final assessment.

29. In parallel to the e-course, the Ethics Office was also requested to develop a three-hour face-to-face training on social media and neutrality for managers and supervisors. It was envisaged that managers and supervisors needed training and guidance on social media and neutrality in more detail than was possible through the e-course. In January, 41 UNRWA staff from the five fields of operation participated in a training of trainers workshop and subsequently delivered face-to-face training to some 2,975 managers, supervisors and other key personnel. In parallel to the e-course and face-to-face training, the Ethics Office also developed a Brief Guide on Social Media and Neutrality for UNRWA Personnel that was widely distributed.

30. Beyond social media and neutrality, the main other focus with respect to training was on promoting ethical leadership. The Ethics Office developed a four-hour face-to-face training on ethical leadership for UNRWA managers and supervisors. The training highlights the importance and characteristics of ethical leadership and an ethical culture and discusses a number of common ethical challenges that managers and supervisors regularly face. It also provides an overview of key misconduct policies and applicable policies, including a refresher on standards and procedures with respect to SEA and sexual harassment and other prohibited conduct. Finally, the training discussed ethical decision-making and provided participants with an overview of available resources. During 2017, the Ethics Office facilitated this training for 27 groups of managers and supervisors at headquarters, Jordan, Lebanon, Syria and the West Bank with a total of 790 participants.

31. The Ethics Office conducted outreach missions to four Fields (Jordan, Lebanon, Syria and the West Bank; it was unable to visit Gaza due to access restrictions) during which it conducted meetings with field colleagues on a range of subjects, conducted ethics workshops for different groups of personnel and provided individual briefings. This included refresher training on sexual exploitation and abuse and refresher training for ethics focal points. Ethics focal points provide an additional resource that staff members can turn to for confidential advice related to the Agency's policies on SEA, Prohibited Conduct and PaR.

32. At the request of the Field's management, priority was given during 2017 to Syria, which in previous years had been less accessible due to the ongoing conflict, with three Ethics Office missions covering Damascus, Homs, Hama, Lattakia and Aleppo. At all locations, meetings were held with managers to discuss ethical challenges and provide advice and other support. In addition, 22 training workshops were facilitated for a total of 760 staff members and other personnel.

33. In December, an Ethics Office team visited Aleppo, where UNRWA employs some 250 staff. Apart from the external challenges due to the ongoing conflict, the Aleppo Area Office had been plagued by a number of internal problems resulting in a particularly high number of staff complaints. To help field and area management to address and stabilize the situation, it was decided to provide ethics training to the entire workforce; five workshops were held with a total of 225 participants.

34. Taking advantage of its visit, the Ethics Office also provided ethics training to personnel from ten other UN agencies in Aleppo, in close cooperation with the Office of the UN Resident Representative in Syria and the UN Ethics Panel. Two workshops were held with some 80 participants in addition to 10 junior staff participating in one of the workshops for UNRWA personnel.

35. Newly recruited personnel continue to be required to take the Agency's comprehensive ethics e-learning course, which was first launched in 2013. In addition, the Ethics Office provided individual briefing sessions to 22 newly appointed international staff members and other personnel.

36. Towards the end of the year, the Agency resumed its periodic all-staff broadcasts with messages on social media and neutrality, gifts and benefits and its traditional end of year message. The Ethics Office also continued the distribution of its handbook (for managers and supervisors) and shorter booklet (for other staff) on ethics and the standards of conduct and related materials.

## standard-setting and policy support

37. During the reporting period, the Ethics Office provided policy-related and technical comments in respect of drafts of a new Security and Risk Management Framework of Accountability, a revision of the Contribution In Kind Acceptance Policy, a new Information Governance Framework, a new Strategic Framework to Reduce Violence Affecting Children in UNRWA Installations and Services, and a new General Staff Circular on Mandatory E-learning Courses. The Office also drafted an UNRWA Procedure for Ethical Standards in Research, Evaluation, Data Collection and Analysis. Consultations on the draft were ongoing at the end of the reporting period.

38. As mentioned earlier, the Ethics Office coordinated the Agency's participation in the JIU review of whistle-blower policies and practices in UN system organizations (see para. 25, above). The Ethics Office similarly coordinated UNRWA's involvement with respect to a second JIU review of mechanisms and policies dealing with conflicts of interest in the UN system. This included coordination of UNRWA responses to a detailed questionnaire, coordination of a visit of the JIU Inspector responsible for the review to UNRWA headquarters in Amman in July, and providing comments on the Inspector's draft report.

39. The Ethics Office has continued to act as UNRWA's senior focal point for the protection from SEA. In this capacity, and in follow up to the Secretary-General's strategy to improve the Organization's system-wide approach to preventing and responding to SEA<sup>5</sup>, the Ethics Office took the lead in developing an UNRWA action plan on protection from SEA which was finalized in April. Recognizing that SEA is a significant Agency concern, UNRWA has a robust policy on SEA in place, fully aligned with that of the UN, including a complaints mechanism, staff training on SEA, expert capacity to investigate SEA allegations, and identification of SEA as "serious misconduct". The action plan seeks to enhance this policy framework by identifying a number of actions to improve UNRWA's approach to preventing and responding to SEA, including refresher training for staff, participation in inter-agency community-based complaints mechanisms, community outreach with respect to SEA, and updating the Agency's General Staff Circulars on SEA and on protection against retaliation.

40. In implementation of the action plan and as mentioned earlier, the Ethics Office included a refresher on SEA in ethical leadership training for managers and supervisors as well as in other training and outreach during the year, with a combined coverage of some 1,200 staff members and other personnel.

In Lebanon, UNRWA joined a newly-introduced inter-agency community-based complaints mechanism for SEA. A number of DIOS investigators participated in training provided by the UN Office of Internal Oversight Services on forensic interviewing of children. The Ethics Office has also been participating in the UN working group on SEA and in the Inter-agency Standing Committee Task Force on Accountability to Affected Populations and Protection from SEA. A number of other actions envisaged for 2017 had to be carried forward to 2018.

## ethics panel of the united nations and ethics network of multilateral organizations

41. The UNRWA Ethics Office participated in the monthly video conferences of the EPUN as well as in the annual face-to-face meeting, which was held in conjunction with the annual conference of the ENMO. The collaboration with EPUN and ENMO members has continued to facilitate the sharing of experiences and best practices. The collaboration with EPUN members, in particular, has served to promote coherence of UNRWA's ethics-related policies, strategies and standards with those of the UN Secretariat and the other funds and programmes in accordance with ST/SGB/2007/11. Further information on the work of EPUN is provided in the Report of the Secretary-General on the Activities of the Ethics Office, presented at the seventy-second session of the General Assembly.

## conclusions and recommendations

42. Through its five lines of service, the Ethics Office continues to provide a clear signal to all managers and other staff about the importance of integrity and adherence to the highest standards of conduct for the implementation of the Agency's mission. The training for managers and supervisors, delivered during the reporting period, has underscored the critical importance of ethical leadership in nurturing an ethical culture. The Office was pleased to note that the training was well received and that it is increasingly consulted by managers and supervisors at different levels and locations on issues posing significant reputational risk to the Agency in addition to other ethical challenges.

43. Although the overall number of requests for services has been stable, the number of requests for protection against retaliation has increased substantially. As many of those requests are accompanied by voluminous documentation, often in Arabic, requiring translation, the Ethics Office has frequently been unable to carry out the preliminary assessments with respect to retaliation cases within the 45 deadline set out in Organization Directive No. 30. Whilst the Ethics Office continues to strive to deal with retaliation complaints expeditiously, it recognizes that within existing resource constraints, and the inability to obtain additional resources due to financial austerity, it is likely to continue to lag behind with respect to its PaR case load.

5 Special measure for protection from sexual exploitation and abuse: a new approach, Report of the Secretary-General, 28 February 2017, A/71/818.

44. In view of the considerable demand for services that in other organizations are provided by an organizational ombudsperson, the Ethics Office reiterates its earlier recommendation that the Agency consider ways to provide ombuds-services to UNRWA personnel. In 2011, the Agency appointed a panel of trained mediators to conduct mediation with respect to workplace disputes. As a result of staff turn-over, currently only a handful of the designated mediators continue to be in the Agency's employ. The Ethics Office recommends that additional mediators are identified and certified as a matter of priority.











دائرة العلاقات الخارجية والاتصال  
الأونروا - القدس

العنوان البريدي: ص.ب: ١٩١٤٩، ٩١١٩١ القدس الشرقية  
هـ: القدس: ٥٨٩٠٢٢٤ (+٩٧٢ ٢) ف: ٥٨٩٠٢٧٤ (+٩٧٢ ٢)  
هـ: غزة: ٧٥٢٧ / ١٧٧٧٥٣٣ (+٩٧٢ ٨) ف: ١٧٧٧١٩٧ (+٩٧٢ ٢)

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اللاجئين الفلسطينيين في الشرق الأدنى