**Chief Executives Board
for Coordination**

14 October 2008

English only

Report of the High-level Committee on Management on its sixteenth session

(United Nations, New York, 18 and 19 September 2008)

Contents

I. Introduction

1.   The High-level Committee on Management (HLCM) held its sixteenth regular session at the United Nations Headquarters, New York, on 18 and 19 September 2008. The meeting was chaired in alternate sessions by the Committee's Chairperson, the Executive Director of the United Nations Population Fund (UNFPA), Thoraya Obaid, and by the Vice-Chairman, Assistant Director-General of the World Health Organization (WHO), Representative of the Director-General, Denis Aitken.

2.   In her welcoming remarks, the Chair welcomed new participants, in particular, Ms. Angela Kane, newly appointed Under-Secretary-General for Management, and thanked her and the United Nations Secretariat for hosting the meeting. The Chair also welcomed Mr. Kingston Rhodes, Chairman, and Mr. Wolfgang Stoeckl, Vice-Chairman, of the International Civil Service Commission (ICSC), who were participating as observers in the discussion on some agenda items.

II. Adoption of the agenda

Documents

- *Agenda (CEB/2008/HLCM/15)*

- *Programme of work (CEB/2008/HLCM/15/Add.1)*

3.   The Committee adopted the agenda for its sixteenth session at its opening meeting on 18 September.

4.   The complete list of participants is provided in annex I.

5.   All documents related to the session are available on the website of the Chief Executives Board for Coordination (CEB) at https://hlcm.unsystemceb.org/documents/September2008/.

6.   Before taking up the regular agenda items, the Chair informed the Committee that UNFPA had suggested that the subject of the impact of the financial turmoil on the United Nations system be discussed at the "open hour" informal session. Delays in the discussion of the regular agenda did not, however, leave time for a complete discussion of the subject. Nevertheless, the representative of the Secretary-General for pension fund investments, Mr. Warren Sach, provided the Committee with a briefing on the specific situation of the Pension Fund. The full content of the briefing, as also provided to the Advisory Committee on Administrative and Budgetary Questions on 17 September 2008, is available on the website of the High-level Committee on Management together with the other session documents.

III. Dialogue with the Federation of International Civil Servants' Associations, the Coordinating Committee for International Staff Unions and Associations of the United Nations System and the United Nations International Civil Servants Federation

7.   In accordance with the established practice, the Committee conducted an exchange of views with the representatives of the Federation of International Civil Servants' Associations (FICSA), the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA) and, for the first time, the newly established United Nations International Civil Servants Federation (UNISERV), which, following verification of compliance with the guidelines on staff representation of the, now superseded, Administrative Committee on Coordination/Consultative Committee on Administrative Questions, had already participated in the meetings of the Human Resources Network and ICSC in 2008. FICSA was represented by Ms. Véronique Allain (Programme Secretary, Regional Representative for the Americas); CCISUA was represented by Ms. Rita Wallace (Vice-President); and UNISERV was represented by Mr. Dimitri Samaras (President). The statements of the representatives of FICSA and CCISUA are provided in annexes II and III, respectively.

8.   Expressing their appreciation for the opportunity to address HLCM, the staff representatives were pleased to acknowledge a general improvement of staff-management relations. The representatives reported that they had worked closely with the representatives of the HR Network, especially on the issue of the review of the education grant methodology. They welcomed the return to more collegial working relations with the HR Network and expressed hope that this would continue and be strengthened, even regarding issues on which views differ.

9.   The subject of release, facilities and funding provided to its members by their respective administrations was also highlighted by the staff bodies as still needing to be addressed and resolved.

10.   While underlining staff security and safety as the most critical priority for the management of the organizations of the United Nations system, unanimous acknowledgement and appreciation were expressed for the work of Sir David Veness, Under-Secretary-General of the Department of Safety and Security. Among the issues requiring specific attention, the ownership and governance of the United Nations security management system and the corresponding accountability for decisions were considered key, as pointed out in the report by the Independent Panel on Safety and Security led by Mr. Lakhdar Brahimi.

11.   The responsibility of Member States to make sure that the necessary protective measures are provided to United Nations system staff and premises was also underlined, as well as their overall responsibility for ensuring the safety and security of United Nations staff and operations in their own country. The need to increase the attention to issues related to staff safety, for example aviation safety, was also stressed.

12.   The staff bodies welcomed the ICSC initiative to undertake a survey on recruitment and retention of United Nations system staff and encouraged the organizations of the Committee and ICSC to look at the data collected in greater

depth, exercising caution in drawing final conclusions from the initial analysis, that is, that there did not seem to be significant recruitment and retention problems in the United Nations system.

13. In connection with the impact of the financial turmoil on pensions, the staff representatives appreciated the briefing provided by Mr. Sach and suggested that a similar information-sharing and clarification session be offered to staff members.

Conclusions and action points

14. In concluding the dialogue, the Chair of the Committee thanked the staff representatives and invited them to stay on for the consideration of the agenda item on staff security and safety, in their capacity as members of the recently established Steering Committee for the follow-up to the report of the Independent Panel on Safety and Security, as well as for the discussion on the Plan of Action for the Harmonization of Business Practices in the United Nations System.

15. The Committee encouraged the HR Network to continue its dialogue with the staff associations and endorsed the Network's proposal to submit a request to the Joint Inspection Unit to conduct a study on representation and functioning of staff associations within the United Nations system in the broad context of staff-management relations, including the issue of release, facilities and funding for its members by their respective administrations. The HR Network would draft proposed terms of reference for such study and submit them to the Joint Inspection Unit through the CEB secretariat.

IV. Security and safety of staff

Documents

- *Report of the Independent Panel on Safety and Security (Brahimi report)*

- *Report of the Inter-Agency Security Management Network meeting, 28-30 July 2008 (CEB/2008/HLCM/13)*

- *Inventory of recommendations of the report of the Independent Panel on Safety and Security and related recommendations by the Inter-Agency Security Management Network and HLCM (CEB/2008/HLCM/16/Rev.1)*

- *Draft terms of reference of the Steering Committee for the follow-up and implementation of the recommendation of the Independent Panel on Safety and Security (CEB/2008/HLCM/21/Rev.1)*

16. As is customary, the Committee received a briefing by the Under-Secretary-General for Safety and Security on the general security environment within which the staff of the United Nations system were currently operating and on the nature and relevance of emerging threats.

17. The Chair of the Committee then invited Ms. Susana Malcorra, in her capacity as Chair of the Steering Committee set up by HLCM at its intersessional meeting on 27 August 2008 to follow up on the recommendations made by the Independent Panel on Safety and Security, to outline the expected process and modalities through which the Committee and its operational working group would proceed in view of the fall session of CEB.

18. A total of 83 recommendations were made by the Independent Panel on Safety and Security. The vast majority of the recommendations contained in the report were already explicitly or implicitly included in the March 2008 report of HLCM, which, in turn, built on the recommendations of the Inter-Agency Security Management Network at its meeting in February 2008, which were transmitted to and endorsed by CEB at its spring session in April 2008.

19. The Steering Committee reaffirmed the central role of the Inter-Agency Security Management Network vis-à-vis the completion of the Steering Committee's mandate. The work of the Steering Committee was intended to strengthen the authority and legitimacy of the conclusions it would reach to a level consistent with the urgency and complexity of the issues that must be addressed.

20. The overall objective of the work of the Steering Committee was, through HLCM, to propose to the Secretary-General, in his capacity as the Chair of CEB, a series of actions responding to the priority of staff safety and security, the promotion of a culture of security within the United Nations system and the acknowledgment of staff safety and security as an essential institutional managerial responsibility. The Secretary-General would then present the suggested actions to CEB at its meeting on 24 and 25 October 2008 for review and adoption. Recommendations for immediate action that may be implemented without delay once adopted by CEB would be flagged within the plans.

21. Recognizing the complexity of its tasks and the need to address them at different levels and within different time frames, the Steering Committee also established an operational working group under its guidance. The operational working group would gather, as of 24 September, and would work on a full time basis, principally in New York, for a period of three to four weeks, that is, the time necessary to deliver the expected outcome for the CEB session in October 2008.

22. In the ensuing discussion, members of HLCM underlined that a critical outcome of the work of the Steering Committee should include a review of the business models for the safety and security of United Nations system staff. Such models should be part of a single framework, avoiding a piecemeal approach, which should cover such functions as information collection and gathering, decision-making, implementation and support. The framework should focus on the role, accountabilities, empowerment and resources of designated officials and the country teams, as well as on the governance and structure of the Inter-Agency Security Management Network and the Department of Safety and Security, including with respect to a sound balance and effective distribution of functions, roles and responsibilities to be assigned and performed at the field level versus those that are best centralized at Headquarters.

23. HLCM reiterated its previously stated conviction that funding modalities for security-related requirements should be consistent with the principle that security and safety is an integral part of any programme, project or activity of the organizations of the United Nations system, and that the corresponding costs should be fully transparent and clearly identifiable in their fixed versus variable nature, within an agreed risk assessment framework.

24. Within the parameters identified through the agreed risk assessment framework, full compliance by all relevant actors should be sought and enforced, including with respect to the responsibilities of the host country, those of the

Member States, collectively, and those of international staff towards local staff. Security and safety conditionalities should correspondingly be attached to programme implementation agreements.

25.   The United Nations Secretariat informed the Committee that a report to the General Assembly on risks associated to missions mandated by the Security Council was being finalized. The report called for the inclusion of a specific assessment of the physical risk that missions might face in any report to the Security Council about the preparation of these missions. This would increase the level of awareness of Member States with respect to the safety and security risks attached to the implementation of their mandates.

26.   In light of the threats and potential sources of increased risk described in the briefing by the Department of Safety and Security, the Committee underlined the need to carefully consider, on a case-by-case basis, the appropriateness of adopting common-premises solutions at the field level. On a related note, there was agreement on the fact that it is equally important to ensure minimum operating security standards compliance at sub-offices and project offices.

Conclusions and action points

27.   The Committee:

        (a)   Endorsed the terms of reference of the Steering Committee, as outlined in document CEB/2008/HLCM/21/Rev.1,[1] and the process agreed upon within such Committee to prepare the discussion and decision of CEB at its meeting on 24 and 25 October 2008;

        (b)   Recommended that Executive Heads within respective organizations are kept up to date on the proceedings of the Steering Committee between now and the meeting of CEB, so that they come well prepared to the meeting and are ready to take the necessary decisions to advance a series of recommendations that are essential to ensure the safety and security of United Nations system staff to the implementation stage;

        (c)   Commended the Inter-Agency Security Management Network for its professionalism in preparing and guiding the response of HLCM to the emerging needs on safety and security of staff before the release of the report of the Independent Panel on Safety and Security as well as in the implementation of its recommendations;

        (d)   Requested the Inter-Agency Security Management Network to take action on the following issues and to report thereon to HLCM at its next session:

        (i)   Draft the terms of reference of the Network, including mandate, responsibilities, composition, governance and working modalities;

        (ii)   Nominate a Vice-Chair;

        (iii) Propose a revised name for the Network;

        (e)   Recommended that the issue of the safety and security of staff be mainstreamed at all levels of the United Nations system, with the strategic aim of

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[1] The Legal Network is also a member of the Steering Committee, although mistakenly omitted from the list of members in document CEB/2008/HLCM/21/Rev.1.

promoting security management as an integral and enabling part of policy, planning, operational and administrative consideration for United Nations programmes and activities;[2]

(f) Endorsed the proposal developed by the Department of Safety and Security and the International Civil Aviation Organization (ICAO) with respect to aviation risk management, and requested the Steering Committee led by Ms. Malcorra to recommend action on this item with immediate priority.

V. Plan of Action for the Harmonization of Business Practices in the United Nations System

Document

> • *Funding proposal (CEB/2008/HLCM/10)*

28.   The Vice-Chair of HLCM and Chair of the Steering Group for the Plan of Action for the Harmonization of Business Practices in the United Nations System recalled the actions taken following the HLCM meeting of March 2008 and subsequent approval by CEB in April 2008 of the launch of the Plan of Action, as follows:

(a)   Finalization of the business practices funding proposal with the inclusion of initiatives in the area of procurement;

(b)   Briefing by the Chair of HLCM and the Director of the CEB secretariat to the General Assembly in the context of the informal consultations on system-wide coherence (New York, 13 June 2008);

(c)   Letter by the Chair of HLCM to the Secretary-General of 28 July 2008 transmitting the funding proposal, for circulation to potential donors, as agreed by CEB;

(d)   Letter by the Chair of HLCM to the Secretary-General of 15 September 2008 requesting an appointment to provide clarifications in relation to the Plan of Action;

(e)   Arrangements for the establishment of a trust fund for business practices.

29.   Following further discussions between the Director of the CEB secretariat and the Office of the Secretary-General, during which some issues requiring further clarification were addressed, the funding proposal was readied for submission to donors: the Secretary-General would transmit the proposal, together with an accompanying letter by the HLCM Chair highlighting the background, content and objectives of the initiative.

30.   The HLCM Vice-Chair also recalled that many of the projects part of the Plan were included in it to take their objectives to a higher level of ambition, thanks to dedicated resources funded through the package. Nevertheless, some of such projects were an integral part of the HLCM's agenda, and their start should not necessarily be linked to the fund-raising process for the Plan of Action. The

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[2] This recommendation is also in line with the report of the Secretary-General on safety and security of humanitarian personnel and protection of United Nations personnel (A/63/305 and Corr.1).

approach recommended to all HLCM Networks was, therefore, to get started with all projects where some initial work could take place without additional funding, so that, when resources would come in, preliminary phases would already be at an advanced stage and work could proceed on a much stronger basis.

31.   Examples of activities already under way were:

(a)   Harmonized budgeting practices (limited to capital budgeting models), led by the United Nations Development Programme (UNDP) and the International Atomic Energy Agency (IAEA);

(b)   Common treasury services, led by the International Fund for Agricultural Development (IFAD) and the World Health Organization (WHO);

(c)   Cost recovery policies, led by the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Development Operations Coordination Office;

(d)   System-wide training by the International Public Sector Accounting Standards (funded through its main implementation project);

(e)   Enhancements to the United Nations Global Market Place, led by the Procurement Network.

Conclusions and action points

32.   The Committee took note of the progress and encouraged the Steering Group and the CEB secretariat to follow up with the Office of the Secretary-General for a quick transmission of the funding proposal to potential donors, in accordance with the decision of all Executive Heads in CEB, and with a view not to losing the positive momentum and the interest repeatedly manifested by donors to contribute generous funding to this initiative.

VI.   Programme of work of the United Nations Development Group on management issues: coordination with the High-level Committee on Management

33.   Continuing the established practice of information-sharing and coordination, the newly appointed Director of the Development Operations Coordination Office and Secretary of the United Nations Development Group, Ms. Debbie Landey, and the Convener of the United Nations Development Group Working Group on Country Office Business Operations, Ms. Mari Simonen, provided the Committee with an overview of the ongoing programme of work of the Development Group on management issues and on the business operations reform at the country level and how it related to the work of HLCM.

34.   Since the decision to approve the restructuring of the United Nations Development Group and its integration as a third pillar into the CEB framework, the Development Group mechanism had been significantly streamlined. The five prioritized strategic areas of work were manifested through the five established working groups which are: (a) working group on resident coordinator system issues, (b) working group on joint funding, financial and audit issues, (c) working group on country office business operations issues, (d) working group on programming issues

and (e) United Nations Development Group-Executive Committee on Humanitarian Affairs working group on transition.

35. The agreed priorities fall under a number of substantive areas and are based on issues raised at country level by the "Delivering as one" pilot countries and United Nations country teams. Other important priorities respond directly to the TCPR requests, and/or aim at providing the support required by transition countries.

36. The Director of the Development Operations Coordination Office indicated that the work of the Development Group on business operations reform at the country level was focused on developing and testing harmonization solutions on the ground. If proved feasible, those would then be recommended to the respective HLCM networks and to HLCM for consideration of system-wide replication of the identified good practices.

37. With regard to the integration of the United Nations Development Group into the CEB framework, the CEB secretariat and the Development Operations Coordination Office were now meeting on a monthly basis to coordinate the substantive work of the three bodies (HLCM, the High-level Committee on Programmes (HLCP) and the United Nations Development Group) and their respective Chairs and Vice-Chairs. The Development Group had revised its statement of purpose to accurately reflect the division of labour and the Development Operations Coordination Office had seconded a P-4 staff member to the CEB secretariat. Over time there would be other arrangements to support the work.

38. The Director of the Development Operations Coordination Office stressed the fact that some 90 countries would be rolling out their United Nations Development Assistance Fund submissions over the next three years and that the Department needed to support those countries. In addition, it was reasonable to anticipate that some of the countries might come forward on a voluntary basis to apply some of the lessons learned from "Delivering as one", and the Department would have to be ready to support them.

39. Great concern was expressed about the fact that there continued to be vacancies for resident coordinator posts in strategic countries. Donors were concerned and this represented a problem for the credibility of the United Nations system on the ground. The Development Group had established a working group to look into the issue. The Development Operations Coordination Office was also appealing to the Department of Peacekeeping Operations, the Department of Political Affairs and the Office for the Coordination of Humanitarian Affairs to put forward candidates, since there was a shortage in people with the required skills. The Development Group was also working closely with the Department of Political Affairs to make certain changes to the assessment and training process for resident coordinators and to introduce the notion of political acumen skills in such processes.

40. The Convener of the Working Group on Country Office Business Operation Issues took the floor to outline the objectives of its six priority areas of work: common services and procurement; common premises; human resources; ICT; harmonized approach to cash transfer; and change management. Details about the tasks and corresponding responsibilities for each of these areas can be found at the website www.undg.org.

41.   In the discussions that followed it was emphasized that the different task teams and working groups of the Development Group needed to work more closely and coordinate with the different HLCM networks. Some of the priorities could be dealt with quickly and directly at country level, but some issues and changes of policies would have important implications for the entire system.

42.   On this specific point, that is, whether a top-down or bottom-up approach should be applied in developing operational solution(s) for greater system-wide coherence, it was noted that it would be absolutely critical to limit the number of selected models or best practices in order to consolidate applicable solutions that could be implemented on the ground in a manner consistent with system-wide policies and standards and that would not lead to increased fragmentation.

43.   Several members noted the urgent need to address the concerns of filling the resident coordinator posts and finding candidates with the right skills.

44.   Concerns were raised with regard to the number of ongoing initiatives and the need to understand how they fit together, what the expected outcomes are, their relationship and the sequencing and capacity of the system-wide implementation of the initiatives. An urgent need to take stock and to prioritize activities, in close collaboration between HLCP, HLCM and the Development Group, was expressed.

Conclusions and action points

45.   The Committee recommended that the CEB secretariat, the Development Operations Coordination Office and the chairs and conveners of networks, task teams and working groups conduct a comprehensive stock taking and prioritization exercise of the management-related initiatives included in their programmes of work, and produce a booklet providing a snapshot picture of all such initiatives, their relationships and objectives, to be reviewed by HLCM at its next meeting, with a view to also addressing the need to fine tune the information flow and communication and working relations between the different entities of the Development Group and HLCM.

46.   The Development Operations Coordination Office would also prepare and share with HLCM members a summary on progress, major challenges and constraints from the pilot countries in the area of business practices.

VII.   Enhancing collaboration between the High-level Committee on Management and the Joint Inspection Unit

Document

   • *Exchange of correspondence between the Secretary-General and the Joint Inspection Unit and the Joint Inspection Unit and the HLCM Chair (CEB/2008/HLCM/XVI/INF.1)*

47.   The Committee considered a recent exchange of correspondence between the HLCM Chair and the Chairman of the Joint Inspection Unit (JIU) on enhanced collaboration between the two bodies. The suggested possible modalities for a more structured collaboration included: (a) increased dialogue with HLCM member organizations during the preparation of JIU's reports and its programme of work;

(b) communications and channelling modalities of the recommendations of the Unit; and (c) participation of the Unit in HLCM meetings for specific agenda items.

48.   The Vice-Chair noted that the General Assembly, in its resolution 62/246, had encouraged the Secretary-General, in his capacity as the Chairman of CEB, to enhance the dialogue of the Board with JIU on coordination issues.

49.   In this connection, on 10 September 2008, the CEB secretariat sent a request to the representatives of HLCM and HLCP to submit proposals for issues of system-wide nature to be included in the JIU programme of work for 2009. Several proposals had been received in response to this request, some of which were relevant to HLCM, while others were closer to the areas of work of HLCP and the Development Group. In addition, a number of proposals for review and possible inclusion in the JIU work programme were put forth during the meeting itself.

50.   It was recalled that JIU had a statutory responsibility to consult the organizations of the United Nations system in the preparation of its programme of work, following which the Unit had traditionally written individual letters to Executive Heads asking for input and suggestions. This practice had, however, begun to yield diminishing returns and had in a few occasions generated duplication of concurrent activities carried out by other inter-agency mechanisms.

51.   During the discussion, it was pointed out that a review of the JIU's work programme could contribute to helping it to prioritize topics that would be useful for HLCM. Discussion of proposals for JIU studies with system-wide implications would also avoid the risk of duplication with other ongoing initiatives. In this respect, it was considered important to not only look at the Unit's workplan from an HLCM perspective, but also from an HLCP and Development Group perspective.

52.   In the opinion of other participants, a consolidation of the communication flow with JIU at the level of the CEB secretariat would add to the HLCM workload by creating an additional layer of action required by member organizations. Under this scenario, while JIU would continue its practice of writing to individual organizations to request organization-specific inputs for its work programme, individual organizations would also have to review the list of suggestions provided for issues of system-wide concern.

53.   With regard to the issue of a more structured relationship with JIU, members of the Committee were of the view that a direct interaction with HLCM would not be as profitable as an interaction at the technical and substantive level, that is with the HLCM networks. It was therefore suggested that JIU could be invited to participate in network meetings for consideration and discussion of specific issues (proposals for studies, draft recommendations, etc.) that are of relevance to each particular network.

Conclusions and action points

54.   The Committee agreed that a letter would be sent in response to the JIU request, informing the Unit that it would be invited to participate in HLCM network meetings for the consideration and discussion of specific issues (proposals for studies, draft recommendations, etc.) of relevance to each particular network.

55.   In the future, HLCM member organizations would continue the practice of providing individual responses to requests for input to the JIU programme of work,

remaining mindful of the need to limit their input to issues that are organization-specific, and submitting proposals on issues with system-wide implications to the attention of the relevant technical network of HLCM, for subsequent transmission to the Unit.

56.   HLCM also requested its networks to take up the modalities and procedures for interaction with JIU in formal discussions at their next meetings and to report thereon to HLCM at its next session.

57.   The CEB secretariat would compile the proposals received for the JIU programme of work for 2009 and transmit them to the Unit by 15 October 2008.

58.   The Committee encouraged its members to review communication procedures within their respective organizations, to ensure a good information flow between HLCM/network representatives and JIU focal points and a coordinated action on the JIU recommendations, programme of work, etc.

VIII.   Review of the senior management leadership programme

Document

> • *CEB/2008/HLCM/12*

59.   At its fifteenth session in March 2008, HLCM agreed to set up a steering group to review the assessment of the senior management leadership programme, the first of which took place from 25 to 29 November 2007. The meeting of the HLCM Steering Group was held on 1 July 2008 at the CEB secretariat in Geneva and was chaired by one of the HR Network spokespersons, Ms. Dyane Dufresne-Klaus of UNESCO.

60.   The mandate of the Steering Group was to:

(a)   Review, in light of the objectives originally set by CEB, the assessments of the programme; namely, (i) the evaluation report of the United Nations System Staff College, (ii) the participants evaluation report and (iii) the Rotterdam School of Management Evaluation;

(b)   Examine the various options available to meet such objectives, including a minor readjustment of the current programme, a major redesign and/or alternative leadership development tools and modalities, either internally developed or partly/entirely outsourced;

(c)   Identify the preferred option determining who should be responsible to implement it;

(d)   Assess the capacity and availability of the Staff College to undertake the implementation of any suggested options;

(e)   Develop recommendations for HLCM, including the financial implications of the recommendations.

61.   The Steering Group discussed eight options based on the objectives set by CEB and recommended a major redesign and rethinking of the programme, as first suggested by the United Nations System Staff College, as follows:

"A major redesigning would build on the strong elements identified in the pilot programme through the various assessments and would focus on more leadership development and United Nations key managerial and leadership competencies identified (including 'Leading as one' in a networked environment). The redesign would be undertaken by the Staff College, with the input of a 'reference group' as a sounding board".

62. HLCM considered the details of the recommended option (as outlined in CEB/2008/HLCM/12), in particular with regard to the suggested governance structure:

(a) The Staff College should be given full ownership and accountability for the design, development and implementation of the programme;

(b) A "reference group" from interested organizations would be established to provide input to the College on the design and implementation of the programme. The composition would include representatives from agencies, human resources and learning communities and some participants in the first programme.

63. There was consensus that the proposed model could provide the necessary accountability framework, which was considered to have been one of the main weaknesses in the pilot programme. In a spirit of partnership, the reference group would provide input into the design of the programme, give guidance on the expectations, ensure proper monitoring and linkages with other leadership development initiatives in the organizations and interact with the United Nations System Staff College, as appropriate, during its implementation.

64. The Director of the Staff College clarified that the costs relating to the pilot programme had been absorbed by the College, and would not be charged to this new phase of the programme.

65. The projected costs required to design, deliver, and assess the programme (whose proposed name was United Nations Leadership Development Programme) in 2009 amounted to $445,000, as indicated in a preliminary design proposal informally circulated as a reference document at the meeting. This figure included logistics, fees for resource persons that would be brought in from outside the United Nations system and the resources required to improve the communication aspects of the programme, which was one of the key dimensions that had failed in the pilot programme. These costs, which would not include the costs for participants, were forecast for the delivery of three programmes in Turin, over a period of nine months, beginning in April 2009.

Conclusions and action points

66. The Committee endorsed the recommendation of the Steering Group, requested HLCM member organizations to come forward to the Staff College to propose representatives for the "reference group", and gave the United Nations System Staff College a mandate to redesign the programme according to criteria outlined in document CEB/2008/HLCM/12, in close consultation with the reference group, and to provide HLCM with a detailed action plan and budget for its implementation.

IX. High-level Committee on Management networks

A. Procurement

Document

- *Conclusions of the fourth meeting of the Procurement Network (CEB/2008/HLCM_PN/4)*

67. As requested by the Committee at its fifteenth session, the newly established Procurement Network presented for review and endorsement its programme of work and working procedures, as formalized at its meeting held from 3 to 5 September 2008. The Network Chair explained that a number of projects included in the programme of work are also part of the HLCM Plan of Action for the Harmonization of Business Practices; an overview of their objectives and progress was offered to the Committee for consideration.

68. Representatives of the Procurement Network expressed appreciation for its formalized status as a network of HLCM, as this had greatly facilitated interaction and work between it and other HLCM networks and coordinating bodies such as the Development Group and the Development Operations Coordination Office. For example, the issues arising out of the Nemeth report and the topic of "suspect vendors" were being dealt with in coordination with the Legal Network. Ties with the ICT Network would allow for better market positioning of the United Nations system as an important acquirer of IT goods and services. Moreover, it had proved useful for the Procurement Network to follow the discussion on progress and issues concerning "Delivering as one" pilots, allowing it to provide more swift support to pilot countries than had been the case in the past.

69. The vision and objectives of the Procurement Network at this point in time fall under three main areas of work:

(a) In line with industry trends, advocate for the procurement function to be regarded as strategic enabler of corporate mandates that integrates supply chain, rather than a transactional administrative function;

(b) Progress on harmonization of processes and procedures along with strengthened focus on providing support to country offices;

(c) Enhance the professionalization of procurement cadre through building of a standardized competency framework and increased joint training and knowledge management.

70. In pursuing these objectives the Procurement Network set out a dashboard in which all its activities would be captured and tracked against progress. A glance to the dashboard indicated important progress in several areas, at the same time highlighting the need for further investments in areas where progress was limited due to lack of capacity.

71. A critical, ongoing undertaking of the Procurement Network was to further enhance and develop the United Nations Global Marketplace (www.ungm.org). HLCM members were presented with "vital statistics" on the global marketplace and screen shots on its functioning. Highlights of the August release of the marketplace were the knowledge sharing platform, which now included the subject of sustainable procurement and a vendor suspension facility that would allow for

increased transparency and knowledge sharing among the 24 participating agencies on this delicate topic.

Conclusions and action points

72. The HLCM commended the Procurement Network on the progress made, endorsed its programme of work as outlined in the conclusions of its 4th meeting (CEB/2008/HLCM_PN/4) and expressed appreciation for the results-based management working methodology it had so quickly put in place.

73. In response to a request by members of the HLCM to include "Contracts Committee management" among the topics of knowledge sharing, with a view to facilitating executive management in identifying best practices in this area, the Chair agreed to this on behalf of the Network, indicating that UNDP had put excellent automation practices in place.

74. The Chair of the Procurement Network indicated that it was fully committed to finalizing its work on the issue of suspect vendors by the end of 2008, as per its current workplan, and that the final output would be finalized in consultation with the Legal Network in order to provide a solid framework to HLCM.

B. Legal advisers

Documents

- *Proposed consultation procedure (CEB/2008/HLCM/6/Rev.1)*

- *Excerpts from the "Nemeth" report (CEB/2008/HLCM/XVI/INF.2)*

- *Convention on the Privileges and Immunities of the Specialized Agencies (CEB/2008/HLCM/XVI/INF.4/Rev.1 — 1947)*

75. The HLCM Vice-Chair welcomed the newly appointed Under-Secretary-General for Legal Affairs and Chair of the Legal Network, Ms. Patricia O'Brien, to her first session of HLCM, and invited her to introduce the three items that the Network was bringing to the attention of the Committee.

76. Before moving to the three agenda items, the Network Chair assured the Committee that it was her aim to pursue the task undertaken by the former Chair and his peers and colleagues, stressing that, if lawyers were not to be perceived as obstacles in decision-making processes, it was crucial that they be associated at the earliest possible stage.

77. The Network Chair then gave a brief overview of the activities undertaken in recent months, including periodic meetings addressing issues such as privileges and immunities; procurement reform; the establishment of the Ethics Office; fraud and corruption; the reform of the administration of justice at the United Nations. She also underlined that a Field Legal Officers sub-network had been established, which deserved to be strengthened.

78. Consistent with the conclusions reached during the last session of HLCM, members of the Network had also carried out consultations as to the working modalities and the institutional links of the Network with HLCM. The Chair confirmed the consensus (see CEB/2007/HLCM/19), by which the Legal Network was to be established as one of the networks of HLCM, on the understanding that it

would operate in an advisory capacity, with full respect to the necessary independence vis-à-vis management.

79.   In his capacity as Chair of the Network, the former Legal Counsel had initiated contact to establish the basis for close cooperation with the United Nations Development Group and the Development Operations Coordination Office. This was to address, in particular, the integration needs posed by the "Delivering as one" pilot projects, a matter on which the Network would follow up.

80.   The following progress was achieved in connection with two projects undertaken by the sub-network of the Legal Liaison Officers:

        (a)   The revision of the United Nations General Conditions of Contract was completed at the beginning of the year and transmitted to the Assistant Secretary-General and Controller of the United Nations, in his capacity as then Chief Procurement Officer. The revised Conditions of Contract were also shared with all members of the Network;

        (b)   A pilot training module on United Nations privileges and immunities was also well advanced earlier this year, and allowed the United Nations Office of Legal Affairs to deliver a one-week training session open to United Nations staff operating in the Democratic Republic of the Congo, at the request of UNDP and the United Nations country team.

81.   The Legal Network had been actively participating and would continue to be involved in HLCM working groups and projects, in the following areas: inter-agency mobility accord; guidelines on employment of persons with disabilities; sanctions against suspect vendors; safety and security of staff.

1.   Systematic consultation procedure with the HLCM networks on documents having legal implications

82.   Turning to the agenda items, the Network Chair recalled that HLCM, at its last session in March 2008, had agreed in principle with the systematic consultation procedure presented by the Legal Network and had asked it to review its proposal, taking into consideration comments and suggestions received during the discussion (document CEB/2008/HLCM/6/Rev.1 was prepared in response to such request).

83.   In the ensuing discussion the Committee expressed the need to more clearly highlight, in the text of the proposed consultation procedure, the advisory role of the Legal Network with respect to HLCM and its other networks, with full respect to the necessary independence of the legal advisers vis-à-vis management, and of management vis-à-vis the legal advisers.

84.   Concerns were expressed, particularly with regard to the possibility for the Legal Network to provide advice, at its own initiative, on any matter under the purview of the Committee or its networks, as well as on the need to more explicitly take into account the timeframe, often very tight, within which legal advice would be required.

Conclusions and action points

85.   HLCM and the Legal Network agreed to conduct intersessional consultations, through their respective secretariats, to finalize an agreeable text for a proposed

consultation procedure, for consideration and approval at the next session of the Committee.

2. The Nemeth report: privileges and immunities implications

86. The external independent investigative review panel on UNDP's former operations in the Democratic People's Republic of Korea delivered its report (the "Nemeth report") on 1 June 2008. Chapter IV of the report included a number of recommendations on dual use/export control issues, suggesting a system-wide approach to these issues. UNDP requested that these recommendations be reviewed by the HLCM Procurement and Legal Networks. The Legal Network supported this request and proposed to conduct a review of the recommendations included in chapter IV, in particular with regard to their implications on privileges and immunities.

Conclusions and action points

87. The Committee endorsed a review by the HLCM Procurement and Legal Networks of the recommendations included in chapter IV of the Nemeth report, with a view to submitting, as appropriate, recommendations for consideration of HLCM and CEB.

3. 1947 Convention on the Privileges and Immunities of the Specialized Agencies: participation and consultation procedure

88. The Network Chair recalled that the 1946 Convention on Privileges and Immunities of the United Nations, and the 1947 Convention on the Privileges and Immunities of the Specialized Agencies are two major legal instruments in the framework of which the United Nations, its subsidiary bodies and the specialized agencies and their respective personnel, operate.

89. She explained that currently a large proportion (approximately one third) of the membership of the specialized agencies is not bound by the 1947 Convention, that is, a major instrument providing the basic protection necessary to the organizations and their personnel in the discharge of their functions.

90. Where Member States are not party to the 1947 Convention, the specialized agencies are bound to negotiate individual bilateral agreements, which lead to disparities. Concern also arises with regard to the manner in which, where it is ratified, the 1947 Convention itself is implemented.

91. This state of affairs is troublesome. It is even more so when the United Nations system is expected to "Deliver as one" as this task is rendered difficult by the existing disparities on the ground in the treatment accorded to United Nations entities and their personnel. It is also particularly worrisome when the United Nations system is operating in a large number of duty stations that have higher security phases, with paramount security-related risks.

92. In the light of this situation, the legal advisers of the specialized agencies and the Office of Legal Affairs, which performs the depositary functions on behalf of the Secretary-General for this Convention, have undertaken an analysis of the depositary practice as set out in a 1953 statement of the body that preceded CEB, the Administrative Committee for Coordination. They are jointly working on necessary adjustments to this practice, taking into account the governance structure

of CEB, the establishment of the Legal Network and the aim of increasing participation in the Convention. The legal advisers sub-network also proposes to prepare a common action plan on how to address disparities in the implementation of the Convention.

Conclusions and action points

93. The Committee endorsed the proposal by the Legal Network to adjust the depositary practice and prepare a common action plan on how to promote accession to the 1947 Convention and address disparities in its implementation (see CEB/2008/HLCM/XVI/INF.4/Rev.1).

C. Finance and budget

Documents

- *IPSAS progress report (CEB/2008/HLCM/18)*

- *Report of the FBN meeting of July 2008 (CEB/2008/HLCM/FB/18)*

94. The Committee received a briefing by the Co-Chair of the Finance and Budget Network and Chair of the Task Force on Accounting Standards, Mr. Jay Karia, on the International Public Sector Accounting Standards (IPSAS) implementation project, as well as on the recent activities carried out by the Finance and Budget Network, including a highlight of the outcomes of its last meeting of 2 and 3 July 2008.

95. A working group was established under the leadership of UNDP and IAEA to analyse the feasibility of and develop proposals for capital budgeting solutions for United Nations system organizations as a specific priority undertaking during a preparatory phase of the "Budgeting practices" project included in the HLCM Plan of Action for the Harmonization of Business Practices in the United Nations system.

96. The Network also endorsed the launch, under the guidance of IFAD and WHO, of a feasibility study on common treasury services.

97. Continuing an established practice of information sharing and coordination, the Development Group working group on joint funding, finance and audit issues and the Finance and Budget Network shared and discussed their respective programmes of work. Briefings were also received on the experiences of the Office of the United Nations High Commissioner for Refugees (UNHCR), WHO and FAO with outposting of administrative functions and on the key success factors and challenges.

98. The Finance and Budget Network approved the conclusions of a joint working group, with the United Nations Development Group, on cost recovery policies, including the use of 7 per cent as a harmonized indirect programme support cost rate, limited to multi-donor trust funds and multi-agency country level joint programmes and activities. Also endorsed was the completion of the mandate of the joint working group, led by UNESCO, with particular focus on the development of common guidelines for the charging of direct costs at country level. The Network recommended that the issue of harmonization of financial reporting to donors also be addressed as one of the key components of the programme of work of that group.

99. Finally, a number of joint working groups with the HR Network were established and were ready to start their activities: a working group on long-term care; one for the review of current mechanism and functioning of appendix D; and one to conduct a system-wide discussion and develop a common recommendation on harmonized standards of air travel. The outcome of each working group was expected to have significant financial implications and therefore required direct involvement of professionals in the finance and budgeting field.

100. The report of the Task Force on Accounting Standards, presented by its Chair, indicated that work to expand the breadth of available accounting policies had taken the majority of team resources, and this would continue for the next six months. It was expected that an increasingly significant amount of such resources would be required for input into the IPSAS training project, at least until May 2009.

101. The timeline for pilot testing and release of the first three training courses has been delayed to November 2008. To minimize the impact of this delay on the overall schedule, the consultants would be working on content development for the subsequent phase of training courses, while development of the computer-based training from phase I would be completed. Courses would be progressively released to organizations as they are developed and tested. The majority of training courses were currently targeted for completion by mid-2009, with the remaining to follow shortly thereafter.

102. Steady IPSAS adoption progress continued both at the system-wide and the individual organization level. Early adopting organizations had demonstrated tangible advancements and were providing lessons learned which could be leveraged by both the system-wide team and Task Force organizations. The majority of organizations indicated that the 2010 target date for IPSAS adoption remained achievable, with the understanding that there were risks associated, primarily, with enterprise resource planning (ERP) implementation and the scarcity of qualified staff resources. For a number of organizations the critical steps required to be in place by the end of 2007 remained at an early stage of implementation.

103. The Task Force recommended that, should an organization need more time than the 2010 target date allowed, this fact should be recognized early enough to allow a stable roll-out of the organization's IPSAS adoption project and, at the system-wide level, to allow clear communication and coordination with respect to IPSAS adoption.

104. The Task Force on Accounting Standards had also agreed that there was a need for some continued support through 2010-2011 from the system-wide IPSAS project, beyond the current mandate of 2009. This agreement was based on the provision that significant budgetary reductions for 2010-2011 would be achieved and that a detailed workplan would be developed, taking into consideration potential changes in the focus of the project and type of ongoing support necessary for system-wide organizations. Further review and consideration of project extension options and costing would be undertaken by the Task Force and the Finance and Budget Network. A project workplan and budget for 2010-2011 would be brought to HLCM for consideration.

Conclusions and action points

105. The Committee took note with appreciation of the work carried out by the Finance and Budget Network and invited the Task Force on Accounting Standards to develop and submit to HLCM at its next session a detailed project workplan and budget to provide some continued support through 2010-2011 from the system-wide IPSAS project, taking into consideration the necessary changes in the focus of the project and type of ongoing support necessary for system-wide organizations.

106. The Committee noted the positive progress report on the IPSAS project and supported the recommendation of the Task Force that, should any organization need more time than the 2010 target date allowed, this fact should be recognized early enough to allow a stable roll-out of the organization's IPSAS adoption project and, at the system-wide level, to allow clear communication and coordination with respect to IPSAS adoption.

107. The Committee also recommended that conclusions and decisions of its Networks be always accompanied by both technical and, when applicable, political justification and reasons, to provide HLCM with the information necessary for a more informed review and/or endorsement of the decisions taken.

D. Human resources

Documents

- *Report of the HR Network meeting of July 2008 (CEB/2008/HLCM/HR/35)*

- *UN cares: proposed implementation plan and budget for 2010-2011 (CEB/2008/HLCM/20)*

- *Dual Career and Staff Mobility Programme of Work and budget for 2010-2011 (CEB/2008/HLCM/22)*

108. The HR Network Spokesperson, Ms. Dyane Dufresne-Klaus, provided the Committee with a brief summary of the main issues discussed at the Network meeting from 8 to 10 July 2008.

109. Among the ICSC issues, the following were highlighted:

(a) **Mobility and hardship scheme**: the Commission recommended to the General Assembly a 5 per cent increase of this allowance as of 1 January 2009;

(b) **Children's allowance**: the Commission recommended to the General Assembly that, as of 1 January 2009, the children's allowance should be set as a global flat amount of US$ 2,686 per annum. Transitional measures would apply in some locations where the new flat rate will be lower than the current amount (in Austria, Germany, Japan, the Netherlands and Switzerland);

(c) **Review of the methodology for determining the education grant**: ICSC, jointly with the HR Network and the staff federations, had been reviewing the methodology for the education grant on the basis of considerations of simplification, equity and cost-neutrality. Different methodologies were discussed. However, a consensus was not reached and the Commission agreed to maintain the status quo pending further review of the scheme;

(d) **Hazard pay**: the Commission decided that a 5 per cent increase be granted for the hazard pay for internationally recruited staff. As a result the established level of hazard pay as of 1 January 2009 would be US$ 1,365.

110. Among HR Network issues, the following were highlighted:

(a) **Guidelines on "disabilities" in the workplace**: a working group on this subject developed a draft document to be applied by all organizations as a policy guideline. The Group was now in consultation with the Finance and Budget Network, the United Nations Joint Staff Pension Fund and medical doctors networks and would report back on cost implications and other issues. The final document would be presented to HLCM for its endorsement in early 2009;

(b) **Mobility accord**: a joint HR/Legal Network working group reviewed the Inter-Agency Mobility Accord, amending some of the legal aspects and clarifying concepts such as return rights, disciplinary actions and the difference between secondments and loans. The Group aimed at providing a final document for HLCM's endorsement by the end of 2008;

(c) **Security and safety of staff**: the Field Group of the HR Network was tasked to review the human resources implications of the IPSS report as well as other security-related issues;

(d) **Arrangements to support those left behind following the death of a staff member**: at the request of HLCM, the CEB secretariat undertook a survey on the practices of organizations. The Network tasked a working group to further analyse the practices and make further recommendations with a view to harmonizing and systematizing practices across the United Nations system.

111. The Committee was also informed that, as a special and priority undertaking, HR Network, in cooperation with the United Nations Development Group, was looking at human resources issues and processes that could be harmonized, streamlined and simplified to facilitate the "Delivering as one" approach in Viet Nam, where the idea of a functional clustering of staff is being explored. A report would be prepared later in the fall of 2008 for review by the Network.

112. The Network had considered and endorsed for submission to HLCM the 2010-2011 budgets and workplans of the "United Nations Cares" and dual career and staff mobility programmes.

113. Finally, the Network had elected new spokespersons. In order to provide continuity, the present spokespersons, Ms. Dyane Dufresne-Klaus and Ms. Marta Helena Lopez, would continue to serve for a further year, until July 2009. The Network representatives, with the support, as per her terms of reference, of Ms. Marta Leichner-Boyce, Senior Inter-Agency Adviser, HR Management, CEB secretariat, would be as follows:

• Ms. Dyane Dufresne-Klaus, UNESCO (for one additional year)

• Ms. Marta Helena Lopez, United Nations (for one additional year)

• Mr. Steven Allen, UNICEF (for a two-year term)

• Mr. Sean Hand, UNFPA (for a two-year term)

Conclusions and action points

114. The Committee thanked the HR Network for the extensive work undertaken, took note of the appointment of the new spokespersons and congratulated them.

115. The Committee endorsed the 2010-2011 proposed programme of work and corresponding financial requirements (on an extrabudgetary basis) for the "United Nations Cares" and the dual career and staff mobility programmes (as outlined in CEB/2008/HLCM/20 and CEB/2008/HLCM/22, respectively) in order to allow current and potential member organizations to budget for and set aside the necessary funding for the 2010-2011 biennium. Organizations would review their current level of engagement with the two programmes and inform the respective coordinators of their planned level of participation for the next biennium.

E. Information and communications technology

116. The Chair of the ICT Network briefed the Committee on the activities of the Network, noting that the most recent meeting, in May, focused primarily on the development of the ICT components of the business practices proposal. She further reported on three issues of concern to HLCM that emerged from the ICT Network discussions; the common directory, ERP systems and the role of the International Computer Centre.

117. On the topic of the common directory, the Chair of the ICT Network stressed that the value of the project increased with the level of participation by organizations of the system and called upon agencies to participate to the fullest extent possible.

118. On the issue of the ERP initiative, the Chair of the ICT Network noted that the business practices included in the initiative involved the creation of diverse working groups, composed of specialists from all the administrative disciplines — finance, budget, human resources, procurement, etc. — and called upon HLCM to support this interdisciplinary approach to developing common practices that support ERP operations.

119. Finally, the ICT Network Chair noted that the International Computer Centre provided shared ICT services to the United Nations family of agencies as a cooperative, and therefore all participating agencies would benefit from increased usage. In this vein, she encouraged all agencies that have not already done so to more closely examine their ICT services with a view of utilizing the International Computer Centre more fully. In addition, all agencies should encourage their procurement departments to review the way they procure the services of the International Computer Centre.

120. During the discussion many agencies expressed support for the issues presented by the ICT Network Chair. Agencies signalled a willingness to participate in the common directory, and several agencies indicated that they had increased their use of the services of the International Computer Centre. In addition, the Committee reaffirmed its commitment to a multidisciplinary approach to ERP practices as described in the business practices proposal.

Conclusions and action points

121. The Committee thanked the ICT Network for its work and encouraged all agencies that had not already done so to more closely examine their ICT services with a view to utilizing the services of the International Computer Centre more fully.

X. Collaboration between the High-level Committee on Management and the Representatives of Internal Audit Services of the United Nations Organizations and Multilateral Financial Institutions (UN-RIAS)

Document

- *The audit committees in United Nations entities and multilateral institutions: position statement (CEB/2008/HLCM/17)*

122. The representative of UN-RIAS, Mr. Claus Andreasen (UNICEF), introduced a position statement on generally accepted audit committee principles, in which some good practices for adoption by United Nations entities and other similar multilateral institutions were identified. He explained that the primary purpose of an audit committee was to assist the governing body and the executive head of a United Nations organization and other multilateral institutions, as appropriate, in fulfilling its oversight and governance responsibilities, including the effectiveness of internal controls, risk management and governance processes. While audit committees were seen as a key element in effective oversight and governance, there was still a lot of variance within the United Nations system with regards to authority, composition and reporting. It was for this reason that UN-RIAS had found a need to develop a position statement on accepted principles and good practices.

123. The position statement, which had been developed by a working group that consisted of the Office of Internal Oversight Services (OIOS), the internal audit services of UNICEF, WFP, the World Intellectual Property Organization (WIPO) and the European Commission, had been adopted at the annual meeting of UN-RIAS in September 2008. The paper recommended that effective and independent audit committees with written charters approved by the governing bodies and composed of independent, objective, experienced and competent members be established. The paper also acknowledged that an effective independent audit committee provided valuable assistance to the governing bodies and to management, in particular in ensuring the quality of the financial reporting, governance, risk management and internal controls. It further ensured that management took appropriate actions on audit recommendations as well as the independence, effectiveness and objectivity of the internal and external audit functions.

124. Annex I to the paper provided a list of generally accepted audit committee principles and identified good practices for United Nations system organizations and other similar multinational institutions. UN-RIAS had submitted the paper for HLCM's information hoping that the paper would be of practical help in improving current audit committee arrangements and, in the case of those organizations without audit committees, in setting them in place as soon as possible. In this context, it was noted that some agencies have audit advisory committees whose

members are appointed by the head of the organization and report directly to him/her, with built-in mechanisms to ensure the professional independence and effectiveness of such committees.

Conclusions and action points

125. The Committee thanked UN-RIAS for its paper and took note of it. The Committee also observed that, as recognized in the document presented, United Nations system organizations have different statutory regulations and governance and, as audit and oversight mechanisms are a matter normally under the purview of governing bodies, their establishment and functioning should be determined accordingly.

XI. Establishing a United Nations system-wide evaluation mechanism

Document

- *CEB/2008/HLCM/19*

- *Letter from the Chairman of JIU to the Chair of HLCM dated 17 September 2008*

126. In introducing this agenda item, the HLCM Vice-Chair invited members to comment on the paper prepared by the United Nations Evaluation Group (UNEG) in response to HLCM/HLCP's request at their joint September 2007 meeting that UNEG "continue to work on the development of a proposal elaborating on the options regarding phasing in the start-up and work programme and in arrangements for funding the core evaluation capacity and the individual evaluations". The focus of the paper was therefore on implementation of this systemic mechanism.

127. Members of the Committee attached great importance to the evaluation function, and were of the view that it was critical in enhancing the capacity and strength of this function across the United Nations system in order to increase the credibility and impact of the programmes performed by United Nations system organizations. In this respect, the Committee broadly supported the need for a mechanism to manage and implement system-wide evaluations.

128. It was pointed out by some that evaluation units of individual organizations were already stretched thin in carrying out their own mandates and might not have the capacity or availability to conduct system-wide evaluations. Setting up a separate system-wide evaluation unit was not, however, felt to be warranted as it would add additional layers and fixed costs. Instead it was suggested that an alternative approach would be to strengthen UNEG by providing resources to enhance its capacity to facilitate system-wide evaluations, to hire specialists to conduct the evaluations and to provide quality control. United Nations organizations were, in this regard, encouraged to provide the necessary resources to UNEG. It was proposed that funding should come from individual evaluation units, which would be required to incorporate subjects for system-wide evaluations into their work programmes once the subjects for evaluation had been agreed upon by CEB.

129. With respect to the letter from the Chairman of JIU to the Chair of HLCM dated 17 September 2008, while UNEG fully recognized the mandate of JIU to

conduct external evaluation, and was of the view that HLCM should seriously consider an extended role for JIU with regard to system-wide evaluations, such an option would make system-wide evaluation completely external and would not be a systemic solution encompassing collaborative work with the evaluation offices of individual organizations and UNEG.

130. The Chair of UNEG reiterated the need to build a systemic evaluation mechanism comprised of a new independent evaluation unit and strengthened evaluation offices in United Nations system organizations, with the new unit providing services that the evaluation offices in United Nations system organizations and UNEG could not offer.

131. The UNEG Chair underscored that the lessons of the "Delivering as one" evaluation needed to be understood. UNEG's comprehensive proposal to HLCP was for a three-phase evaluation, including: an evaluability study; a process evaluation; and an evaluation of results. Moving forward with this proposal had necessitated ad hoc funding and staffing arrangements, which included a senior secondment from UNICEF and in-kind participation by heads of evaluation offices and senior staff in conducting country evaluation missions.

132. The UNEG Chair noted that UNEG is a professional network that has achieved notable results, which have been recognized in General Assembly resolutions 59/250 and 62/208 on the triennial comprehensive policy review. These achievements included the elaboration of norms and standards, a peer review methodology, standardized competencies and job descriptions and training in evaluation. UNEG had, however, not been set up to conduct evaluations and as a professional network it did not have a reporting relationship to CEB.

133. Finally, the Chair of UNEG highlighted that the programme of work of evaluation units within individual organizations of the United Nations system was closely linked to the mandate and the requirements of those organizations. She drew attention to the fact that it may, therefore, not always be possible to include requests for system-wide evaluations from CEB. This was especially the case for evaluation units whose work programme had to be approved by the governing body of the respective organization. Furthermore, not all evaluation units had sufficient capacity and resources to carry out their own mandate, let alone to fund system-wide evaluations.

Conclusions and action points

134. The Committee reiterated the great importance that it attached to the evaluation function, and that enhancing the capacity and strength of this function across the organizations of the United Nations system was critical to increasing the credibility and impact of their programmes. In this respect, the Committee broadly supported the need for a mechanism to manage and implement system-wide evaluations.

135. HLCM requested UNEG to consider hosting and managing the process of system-wide evaluation with capacity drawn from existing entities. Funding would come from the programmes of work of individual agencies, based on their incorporation of subjects for evaluation agreed upon by CEB.

136. The Committee thanked UNEG for its paper and requested the Group to consider the ideas expressed at the meeting and revert to it with a response.

XII. Implementing enterprise resource planning systems

137. In brief presentations, WHO, ILO and FAO shared the main challenges and lessons learned from their recent experiences in implementing enterprise resource planning (ERP) systems with the Committee. All three agencies have implemented the Oracle product.

138. WHO reported that their system recently became operational as a large-scale implementation that included many administrative functions, together with an off-shore service facility in Kuala Lumpur. Not underestimating the challenges of data conversion and validation, as well as catering for extensive change management activities, were highlighted as critical requirements for success.

139. FAO noted that their implementation was one of the first in the United Nations system, and that they had recently deployed the human resources component. Other recent activities included the development of an off-shore processing centre in Eastern Europe (Budapest) as well as the deployment of the system to remote offices. FAO also noted that they had derived substantial benefits from their new ERP, including cost savings and improved management reporting.

140. ILO stressed the need to ensure business ownership of the project and highlighted lessons learned in the areas of change management, training, support, governance and management and resources. Their system went live in 2005 and the deployment of the application to all offices in all regions was currently in preparation — a project expected to take about two years.

Conclusions and action points

141. HLCM thanked WHO, ILO and FAO for sharing their experiences and expressed the need to continue this practice. The Committee reiterated that moving to a single ERP system was neither practical nor necessary, and that the way forward in the inter-agency ERP arena involved the development of common practices as specified in one of the initiatives included in the plan of action for the Harmonization of Business Practices in the United Nations system. In the light of this discussion, the Committee recalled its decision at its fifteenth session to have this initiative led by agencies with experience in each of the three main ERP solutions (WFP for SAP, ILO for Oracle and UNDP for PeopleSoft) along with the United Nations Secretariat.

XIII. Results of the International Civil Service Commission 2008 staff survey on recruitment and retention

Document

> • *ICSC staff survey*

142. In its resolution 61/239, the General Assembly requested ICSC to consider the effectiveness and impact of measures designed to promote recruitment and retention.

143. In addition to two follow-up surveys aimed at the organizations of the common system, a global staff survey was launched by ICSC in May 2008 to obtain the staff perspectives on two basic questions: what motivated them to join the United Nations

system in the first place (recruitment), and what continued to motivate them (or not) to stay in the system (retention). The Commission reported to HLCM on the results of the staff survey carried out throughout the United Nations system in cooperation with organizations and staff federations. The survey was open to all staff, in all categories, in all locations.

144. What emerged from the examination of data was that the United Nations system does not, in general, have a serious recruitment problem in the sense of the ability to fill vacant posts. However, there do seem to be problems in the quality of recruitment and organizations reported that they could not be sure that they had managed to attract the right candidate in a full one fourth of cases. Similarly, there does not appear to be a serious issue with retention, with the United Nations system averaging a retention rate in excess of 90 per cent.

145. However, approximately 40 per cent of the total number of staff responded that they were either seriously considering leaving the organization, or were undecided. The analysis of the motivations that made staff seriously consider leaving suggested that attraction and retention measures in place are often out-weighed by internal factors related to the frustration of individuals: lack of promotions, lack of professional growth, and lack of opportunities to use the very skills and competencies that had attracted staff in the first place.

146. Yet, the attrition rate is minimal. The problem, the Commission explained, may therefore not be retention. If a large proportion of the staff was not very happy, they would likely be less productive than their potential. The challenge for organizations would be to capitalize on the goodwill generated by the United Nations image, while maximizing the positive experience of working within the United Nations system. As a means of achieving this, ICSC proposed for consideration a number of matrices intended to highlight the areas of potential effective intervention.

147. HLCM members welcomed the initiative and thanked ICSC for agreeing to provide them with organization-specific data, expressing the need to further analyse such data internally. In fact, HLCM recognized that recruitment and retention issues are often specific to each organization and that consequently they should be approached primarily at the internal level, through the development of customized talent management strategies.

148. The Committee agreed that recruitment policies needed to be adapted to the changing profile of the working force, taking into account the different attitudes and expectations of younger generations.

149. HLCM noted with interest that "goals and objectives of the United Nations system" scored high in terms of satisfaction and importance in the survey, suggesting a strength of the United Nations system as a whole but also the need to pay special attention to the increasing competition with external employers with goals, objectives and career perspectives similar to those of the organizations of the common system (for example, non-governmental organizations, foundations and international organizations).

Conclusions and action points

150. Acknowledging the need to follow up on the survey with an in-depth analysis of the organization-specific data, the Committee suggested repeating the exercise in

the next five years, taking appropriate measures to encourage greater participation of staff. Furthermore, as an interesting development from this exercise, the Committee suggested carrying out a comparative analysis of these first results with similar studies in other public sector institutions.

XIV. Other business

A. Declining Professional staff salaries in Europe: analysis and consideration

Document

> • *CEB/2008/HLCM/23*

151. IAEA introduced a note for preliminary consideration by the Committee on the declining purchasing power of Professional staff salaries in Europe. According to the note, the ICSC secretariat had confirmed that the declining value of euro salaries would be largely, if not entirely, caused by the post adjustment "out of area" expenditure weights.

152. IAEA offered some technical explanations on the post adjustment "out of area" expenditure weights, and provided some statistical evidence on the issue.

153. IAEA also informed the Committee that it had tabled an intervention on this matter at the meeting of ICSC in July 2008, and that the Advisory Committee on Post Adjustment Questions would be considering the matter in January 2009.

Conclusions and action points

154. The Committee:

(a) Noted with concern the significant decline in Professional salaries in euro-denominated duty stations, in real terms, over the past seven years;

(b) Requested the HR Network to give further consideration to document CEB/2008/HLCM/23, either by videoconference or electronically, and to report on its recommendations to HLCM by 31 October 2008;

(c) Encouraged the Advisory Committee on Post Adjustment Questions and ICSC to resolve the issue.

B. Brief update on the progress of United Nations system organizations towards climate neutrality

Document

> • *Moving the United Nations towards climate neutrality (CEB/2008/HLCM/ XVI/INF.3)*

155. A progress report prepared by the Environment Management Group on the implementation by member organizations of the CEB decision, taken at its October 2007 meeting, on "Moving towards a climate-neutral United Nations" and a United Nations climate neutral strategy, was circulated for information to the Committee.

C. Appointment of the new Secretary of the High-level Committee on Management

156. In an e-mail message of 15 September 2008 addressed to all HLCM member organizations, the Chair informed the Committee that the inter-agency recruitment process for the appointment of the new Secretary of the High-level Committee on Management had been completed.

157. An Inter-Agency Panel was established to interview short-listed candidates, composed of:

(a) Mr. Denis Aitken, Assistant Director-General and representative of the Director-General, WHO, and HLCM Vice-Chair;

(b) Ms. Jan Beagle, Assistant Secretary-General and Deputy Director-General, United Nations Office at Geneva;

(c) Mr. Adnan Amin, Director, CEB secretariat.

158. The HLCM Chair indicated that she had been unable to personally chair the panel as envisaged, but had the opportunity to review the applications of the short-listed candidates and had provided her views to the Panel.

159. The Panel examined the applications and, on 3 and 4 September 2008, conducted competency-based interviews of the five short-listed candidates. In a report presented to the HLCM Chair on 10 September, the Panel unanimously recommended Mr. Remo Lalli for the post of Secretary of HLCM. Having also reviewed the short-listed candidates, the HLCM Chair fully concurred with the recommendation of the Panel.

Conclusions and action points

160. The Committee endorsed the appointment of Mr. Remo Lalli as HLCM Secretary, congratulated him and asked him to take the opportunity of this fresh start to carry out a review of HLCM working and decision-making modalities, meeting arrangements, and document preparation criteria and procedures, with a view to improving the quality and effectiveness of HLCM work, during and between meetings, also with respect to the working and reporting relations with its Networks.

161. The Secretary would carry out consultations with the members of HLCM and submit proposals for consideration by the Committee at its next session.

D. Launch of the consultative process for the appointment of the new Chair and Vice-Chair of the High-level Committee on Management

162. Ms. Thoraya Obaid and Mr. Denis Aitken informed the Committee that, after serving as Chair and Vice-Chair of HLCM since their designation by CEB in October 2005, and in accordance with the Board decision on rotation of the chairmanship, the Chair and Vice-Chair would rotate with effect from January 2009 onwards. In this regard, the Secretary-General, in his capacity as Chair of CEB, had initiated the consultative process leading to the appointment of the new HLCM Chair and Vice-Chair from 2009.

163. Mr. David Waller of IAEA and Ms. Dyane Dufresne-Klaus of UNESCO, in representation of the entire Committee, and Mr. Adnan Amin, Director of the CEB secretariat, took the floor to express their deepest and most sincere appreciation for the work of Ms. Obaid and Mr. Aitken during the past three years. They recalled that, since the 2005 CEB decision to have a member of the Board act as Chair of HLCM, they had conducted the work of the Committee with enormous dedication and personal commitment, fostering the emerging of a new thrust of participation, inclusiveness and active contribution by all members. They had consolidated an expanded system of bodies and actors within the institutional framework of HLCM. They had led the Committee to an unprecedented level of recognition by its stakeholders and credibility and appreciation within CEB, as well as within the broader constituency of member organizations, Member States and governing bodies. More than anything else, they had led by example with unparallel professionalism and fairness, acting as enablers of the best energies and qualities available in the varied and rich context of the organizations of the United Nations system organizations.

164. The Committee saluted Ms. Obaid and Mr. Aitken with long and warm applause.

Annex I

List of participants

Chairperson: Ms. Thoraya Obaid (United Nations Population Fund)

Vice-Chair: Mr. Denis Aitken (World Health Organization)

Secretary: Mr. Remo Lalli (CEB secretariat)

Organization	*Name, Title and Division*
United Nations	**Ms. Angela Kane** Under-Secretary-General for Management, Department of Management
	Ms. Susana Malcorra Under-Secretary-General for Field Support, Department of Peacekeeping Operations
	Mr. David Veness Under-Secretary-General, Department of Safety and Security
	Ms. Patricia O'Brien Under-Secretary-General, Legal Counsel, Office of Legal Affairs
	Ms. Catherine Pollard Assistant Secretary-General, Office of Human Resources Management
	Mr. Warren Sach Assistant Secretary-General for Central Support Services
	Mr. Jun Yamazaki Assistant Secretary-General and Controller
	Ms. Jan Beagle Deputy Director-General, United Nations Office at Geneva
	Mr. Jay Karia Director, Division of Accounts
International Labour Organization	**Ms. Patricia O'Donovan** Executive Director, Management and Administration
Food and Agriculture Organization of the United Nations	**Mr. Manoj Juneja** Assistant Director-General, Department of Human, Financial and Physical Resources
United Nations Educational, Scientific and Cultural Organization	**Ms. Dyane Dufresne-Klaus** Director, Bureau of Human Resources Management
	Ms. Yolande Valle Director, Bureau of Budget

Organization	Name, Title and Division
World Health Organization	**Mr. Denis Aitken** Assistant Director-General, Representative of the Director-General for Partnerships and United Nations Reform
	Ms. Namita Pradhan Assistant Director-General, General Management
	Ms. Susan Holck Director, General Management
International Civil Aviation Organization	**Ms. Fang Liu** Director, Bureau of Administration and Services
Universal Postal Union	**Mr. Pascal Clivaz** Head, Finance Directorate
World Bank	**Mr. Robert Pulley** Director, General Services Department
	Ms. Autumn Hottle Head, Strategy and Policy, Office of Corporate Security
International Monetary Fund	**Mr. Frank Harnischfeger** Director, Technology and General Services Department
World Meteorological Organization	**Mr. Joachim Müller** Director, Resource Management Department
International Telecommunication Union	**Mr. Richard Barr** Chief, Administration and Finance Department
International Maritime Organization	**Mr. Andrew Winbow** Director, Administrative Division
World Intellectual Property Organization	**Mr. Rama Rao Sankurathripati** Officer-in-Charge, Coordination Office in New York
	Ms. Magdi Bona Head, Budget Section, Office of the Controller
International Fund for Agricultural Development	**Ms. Jessie Rose Mabutas** Assistant President, Finance and Administration Department
United Nations Industrial Development Organization	**Mr. Qazi Shaukat Fareed** Special Adviser to the Director-General on system-wide coherence
	Ms. Amita Misra Director, Financial Services Branch, Division of Administration
	Mr. Ranko Vujacic Director, Operational Support Services Branch Programme Support and General Management Division

Organization	Name, Title and Division
World Trade Organization	**Mr. Peter Shackleford** Director, Administration Division
	Mr. Rafeeuddin Ahmed Special Representative of the World Trade Organization to the United Nations in New York
	Mr. Kazi Rahman Deputy Special Representative of the World Trade Organization to the United Nations in New York
International Atomic Energy Agency	**Mr. David Waller** Deputy Director-General and Head of Management
	Mr. Doug Northey Director, Division of Human Resources
United Nations Development Programme	**Ms. Akiko Yuge** Assistant Administrator and Director of Bureau of Management
	Mr. Andrew Lukach Chief, Security Team, Bureau of Management
	Ms. Peri Johnson Director, Legal Support Office, Bureau of Management
	Ms. James Provenzano Director, Procurement Support Office, Bureau of Management
	Ms. Irina Stavenscaia Management Specialist, Bureau of Management
United Nations Children's Fund	**Mr. Omar Abdi** Deputy Executive Director
	Ms. Cecilia Lotse Director, Governance, the United Nations and Multilateral Affairs
United Nations Population Fund	**Ms. Thoraya Obaid** Executive Director
	Mr. Subhash K. Gupta Director, Division for Management Services
	Mr. Klaus Beck Special Assistant to the Deputy Executive Director (Management)
Office of the United Nations High Commissioner for Refugees	**Ms. Emmy Takahashi** Liaison Office, New York

Organization	Name, Title and Division
United Nations Office at Vienna/United Nations Office on Drugs and Crime	**Mr. Franz Baumann** Deputy Director-General, United Nations Office at Vienna and Deputy Executive Director, United Nations Office on Drugs and Crime
World Food Programme	**Mr. Suresh Sharma** Director, Change Management, Office of the Executive Director
UN-Habitat	**Ms. Yamina Djacta** Deputy Director, UN-Habitat, New York Office
United Nations Environment Programme	**Ms. Juanita Castano** Director, UNEP Office in New York
	Ms. Zehra Aydin Senior Programme Officer
Joint United Nations Programme on HIV/AIDS	**Ms. Helena Eversole** Director, Department of Resource Management
International Trade Centre UNCTAD/WTO	**Ms. Eva K. Murray** Director, Division of Programme Support
United Nations Office for Project Services	**Mr. Vitaly Vanshelboim** Deputy Executive Director
United Nations System Staff College	**Mr. Carlos Lopes** Director a.i.
	Mr. Paolo Ceratto Deputy Director, Administration and Management
Representatives of Internal Audit Services of the United Nations	**Mr. Claus Andreasen** Director, Internal Audit, UNICEF
United Nations Evaluation Group	**Ms. Saraswathi Menon** Director of UNDP Evaluation Office — Chair UNEG
Development Operations Coordination Office	**Ms. Deborah Landey** Director
	Mr. Ashok Nigam Associate Director
International Civil Service Commission	**Mr. Kingston Rhodes** Chairman
	Mr. Wolfgang Stoeckl Vice-Chairman
	Mr. Duncan Barclay Chief, Human Resources Policies Division

Organization	Name, Title and Division
	Ms. Laura Casinelli Consultant
Coordinating Committee for International Staff Unions and Associations of the United Nations System	**Ms. Rita Wallace** Vice-President
Federation of International Civil Servants' Associations	**Ms. Véronique Allain** Programme Secretary, Regional Representative for the Americas
United Nations International Civil Servants Federation	**Mr. Dimitri Saramas** President and President of the UNDP/UNOPS/UNFPA Staff Association
	Mr. Stephan Flaetgen General Secretary
	Mr. Stephen Kisambira President, United Nations Staff Union
Human Resources Network	**Ms. Dyane Dufresne-Klaus** Director, Bureau of Human Resources Management, UNESCO
Finance and Budget Network	**Mr. Jay Karia** Director, Division of Accounts, United Nations
Legal Network	**Ms. Patricia O'Brien** Legal Counsel, United Nations
	Ms. Patricia Georget Legal Officer, Office of the Legal Counsel, United Nations
Procurement Network	**Mr. Dominik Heinrich** Director, Management Services Division, World Food Programme
Secretary of CEB	**Mr. Thomas Stelzer** Assistant Secretary-General for Policy Coordination and Inter-Agency Affairs, United Nations
CEB secretariat	**Mr. Adnan Z. Amin** Director
	Mr. Remo Lalli Secretary, High-level Committee on Management
	Mr. Kenneth Herman Senior Adviser on Information Management Policy Coordination
	Mr. Mikael Rosengren Programme Officer
	Ms. Lotta Viklund McCabe UNDG Interagency Liaison Adviser

Annex II

Statement by the Federation of International Civil Servants' Associations

The Federation of International Civil Servants' Associations (FICSA) appreciates the opportunity to address the High-level Committee on Management under the item "Dialogue with staff representatives".

Today I would like to address three subjects. The first is enhancing staff-management relations and staff representation in the United Nations system, the second is staff security and, thirdly, I would like to finalize by briefly sharing some of our views on the work carried out by the International Civil Service Commission (ICSC) this year.

Enhancing staff-management relations and staff representation in the United Nations common system

Earlier this year, FICSA met for the first time with the Secretary-General and found the discussion and exchange of views very useful. The value of this meeting only accentuated the regret in the inability to arrange for it earlier. During that meeting, FICSA expressed its appreciation for the remarks in the text version of the Secretary-General's opening address of the 29th meeting of the Staff-Management Coordination Committee (SMCC) in support of strengthening staff-management relations. The Federation strongly shared his expressed view that effective, open and meaningful staff-management relations were essential to the success of the United Nations common system and would have a positive impact on the ability of the organizations to serve the Member States and to create a better world. FICSA agreed fully with the statement of the Secretary-General that the United Nations needed a new mindset.

Since 2000, eight years ago now, FICSA has been attempting to work with both HLCM and the HR Network to strengthen staff-management relations and staff representation in the United Nations common system. At the request of HLCM in 2002, FICSA provided information to the Committee and to the Network on the subject of release, facilities and funding provided to its members by their respective administrations. It was clear from that information that few organizations complied fully with the guidelines originally set out by the Consultative Committee on Administrative and Budgetary Matters in 1982. Nor have organizations fully respected the Framework for Human Resources Management, which calls for "communication, participation, transparency and teamwork". In a number of organizations, the present climate does not enable or empower staff representatives and, even when the executive head may wish to empower staff, the message does not seem to reach other levels of management.

The subject of staff-management relations was continued at the 16th session of the HR Network in July of this year. However, because of its urgency, the discussion was limited to the question of arranging and financing the release of the FICSA President and General Secretary and deciding once and for all whether the organizations still approved of their 1982 agreement to include the option to share the costs for the release to serve FICSA. The Network decided that cost-sharing was not a valid option and that each organization should finance the release of the

FICSA President and General Secretary when a staff member from their organization is elected to one of those positions. The Network further agreed that this arrangement should also apply to the Coordinating Committee for International Staff Unions and Associations of the United Nations System and United Nations Civil Servants Federation. The implication of this decision is that each organization will need to budget for the eventual release of one of its staff members to serve as an elected officer in a staff federation.

However, all of the other issues that had been identified in a videoconference organized by the Network in 2005 were left unaddressed. The list was already presented to HLCM in 2005 (document CEB/2005/HLCM/30) but are worth repeating here:

- Funding/financing
  - Particularly financing of participation in meetings by staff representative bodies
- Communication
  - Including identifying best medium to communicate on relevant issues
- Training
  - Including training in conflict resolution for elected staff representatives
- Headquarters and field
  - Including the importance of making a distinction between the role of staff representation at the local and inter-agency level
- Terms of office of staff representatives/bodies
  - Including role of staff representatives in various internal processes, such as recruitment, management of grievances
- Release/official time for staff representatives
- Importance of recognizing the particular situation in each organization
- Role of staff representation in the common system
- Ways to enhance staff morale.

At the 67th session of ICSC in July 2008, under the item "Alignment of the budget with strategic plans", FICSA raised the subject of financing the participation of staff federations in inter-agency meetings and requested ICSC to include the participation of staff representatives in its own budget. The Commission stated that "it would be more appropriate for any request of that type to be made through the HR Network to the HLCM of CEB". One of the participants at the sixteenth session of the HR Network suggested that FICSA approach the Advisory Committee on Administrative and Budgetary Questions.

This situation can most politely be described as "being given the run-around". FICSA has worked in good faith with all of the inter-agency bodies involved and has delivered all of the information that has been requested. However, our requests have been bounced from one body to another without any decisions having been taken. It would seem to us that it is time to get serious, to give credence to the words of the

Secretary-General and to work together to improve staff-management relations and staff representation.

Indeed, the implementation of the objectives of the Member States cannot be done without staff, and therefore we cannot continue to ignore the real issues of staff-management relations and staff representation, which, if addressed properly, will make organizations more effective.

To that end, FICSA would like to reiterate its request for a working group on enhancing staff-management relations and staff representation within the common system, which will be responsible for addressing the above-mentioned list of items that were identified in 2005. We need to come to a common understanding and appreciation of the important role played by staff representatives in our organizations, and to develop ways to facilitate their work, recognize their competencies and contributions and empower all staff to play a larger role in decisions that are made about their working life. Over the next few years, many of the older generation will be leaving service for retirement. If our organizations hope to attract competent, qualified and capable younger people, they will need a new mindset, as stated by the Secretary-General. One of the most important tools to recruit and retain a new generation of international civil servants is effective staff-management relations and staff representation.

Let us not delay any longer. FICSA asks your strong commitment and firm support for a working group to enhance staff-management relations and staff representation.

Security issues

I would now like to present the Federation's views on security issues. First of all, FICSA would like to acknowledge the work of Sir David Veness, Under-Secretary-General of the Department on Safety and Security, and to express the Federation's regret at his resignation. Needless to remind the Committee that Sir Veness' predecessor similarly resigned following the Canal Hotel bombing in 2003? When meeting with the Secretary-General, FICSA asked him whether staff should expect that every time that there is a tragedy on the scale of Iraq or Algeria, the Head of the Department of Safety and Security would resign. This does not give staff much confidence in the security management system. While such events certainly warrant a closer examination of the way in which security is managed in the United Nations system, they most importantly provide an opportunity for a close examination of those responsible for managing the system.

The recent report of the Independent Panel on the Safety and Security of United Nations Personnel and Premises Worldwide mentions that CEB should provide regular guidance and leadership of the security management system. At the same time, the report also argues for solidifying the role of the Department of Safety and Security and the Under-Secretary-General of the Department of Safety and Security should have additional authority over security issues in the United Nations common system.

FICSA is of the view that the respective roles of CEB and the Department of Safety and Security need to be clarified when it comes to ownership and governance of the United Nations security management system. There seems to be too many layers and too many players, which not only makes it difficult to get to the root of

any problem but also make it difficult to determine accountability. There should be no room for ambiguity when it is a question of saving lives and keeping staff safe.

Paragraph 109 of the Panel's report cites the "open conflict between the Department of Safety and Security executive managers over a number of significant issues". While dealing with the security of our colleagues, there is no room for such conflicts and this is an area in which all staff should be working together for the same unquestioning goal.

FICSA reminded the Secretary-General that it is not only the internal functioning of the United Nations security management system that needs to be reformed but that more must also be done to hold Member States accountable for the protective measures provided to United Nations staff and premises. Member States have the responsibility for ensuring the safety and security of United Nations staff and operations in their own country. It is the Member States who mandate the United Nations and its staff to carry out their work, often in dangerous and insecure locations.

FICSA hopes that the report of the Independent Panel will be followed by changes that will lead the United Nations common system to a more secure workplace all over the world, **and to that end FICSA welcomes the establishment of the Steering Committee.**

International Civil Service Commission: 2008

I would like to close by making a few remarks about the decisions, recommendations and functioning of ICSC in 2008.

The Federation's first comment concerns the global staff survey that was carried out by ICSC alone to help in assessing the effectiveness and impact of recruitment and retention measures at difficult duty stations. Based on the data collected by ICSC, the Commission concluded that, although United Nations organizations did not seem to have significant recruitment or retention problems in general, there appeared to be problems in certain occupational groups and areas of specialization. In addition, there may be problems in the quality of staff hired in almost 25 per cent of the cases. The projections of the future supply and composition of the global labour market indicate that the general situation may well get worse, and that the specific issue of specialized talent will only get more acute. It would therefore be prudent for the organizations of the United Nations common system, in collaboration with the staff representatives, to begin taking strategic steps to mitigate these trends, in addition to addressing the immediate problems.

While the Federation welcomes the attention to staff views on recruitment and retention, it is not yet convinced that the response rate to the survey was high enough to conclude that the United Nations organizations do not seem to have significant recruitment and retention problems. In fact, FICSA is of the opinion that the analysis of the survey results might give the wrong message to the Member States and that, as the Commission states in its annual report, it would be best to exercise some caution in drawing final conclusions from the initial analysis. FICSA would like to ask the organizations to bear this caution in mind in their discussions on this subject with Member States representatives, and would like to reiterate its availability to contribute to the development of staff surveys in the areas of competence of FICSA.

Our second comment is more general and concerns the overall atmosphere at the Commission's sessions in 2008. The summer session of the Commission was particularly tough, due primarily to two contentious issues: the review of the education grant methodology and the review of the children's and secondary dependant's allowances. FICSA was pleased with the outcome of the session concerning the review of the education grant methodology, but regretted the Commission's decision not to grant a 100 per cent transitional measure to compensate for the new lower rates for the dependency allowances in several duty stations. The discussions on the education grant led FICSA to question whether the Commission has the best interests of the organizations and the staff at heart.

On a more positive note, FICSA is pleased to report that it worked closely with the representatives of the HR Network, especially on the issue of the review of the education grant methodology. We hope that this return to a more collegial working relationship with the HR Network will continue and will be strengthened even in issues in which the views differ.

This concludes the Federation's remarks, which we hope will provide ample substance for the dialogue with HLCM and I would like to thank you for your attention.

Annex III

Statement by the Coordinating Committee for International Staff Unions and Associations of the United Nations System

Ladies and gentlemen, let me begin by thanking the High-level Committee on Management (HLCM) on behalf of the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA) for the opportunity to again address you and share with you some of the thoughts and concerns of the members of CCISUA with regard to some of the items on your agenda.

Our primary concern, as it has been for some time, is also the first issue on your agenda: **staff security**.

Let me begin by a quote that might sound familiar to you:

"A major deficiency identified by the Panel is the lack of accountability for the decisions and positions taken by United Nations managers with regard to the security of United Nations staff. The United Nations needs a new culture of accountability in security management. Personal accountability of those entrusted with the safety of personnel as well as all staff in the field for their compliance with security rules should be paramount [...]"

It may surprise you that this quote does not come from the Independent Panel on Safety and Security — or Brahimi — report, but rather from the Report of the Independent Panel on the Safety and Security of United Nations Personnel in Iraq, following the Canal Hotel bombing in 2003. It is clear from the above, and the similarity it bears with the content of the Brahimi report, that the recommendations made in 2003 were not given due regard. While we are pleased to see the establishment of a steering group to come up with proposals to turn the recommendations of the Inter-Agency Security Management Network, the Brahimi report and others into an action plan (in which CCISUA will participate), what the staff are really waiting for is concrete action and results.

We acknowledge the work already done by the Inter-Agency Security Management Network and the HR Network in following up on the Brahimi report. We note, however, the number of instances where the main recommendations consist of adding posts. We have already spoken strongly of our belief that more resources should be targeted to the area of security, and we hope that the gentlemen and ladies of the General Assembly, the Fifth Committee, the Advisory Committee on Administrative and Budgetary Questions and various governing boards will see fit to make the necessary human and financial investment to ensure we can do their work in safety. Nonetheless we also have to prepare for them to act in the normal manner. Our only plan cannot be more posts or resources. Let me reiterate: we fully support the plan. But we have been here before. If we do not get the posts we are looking for, the next time there is an attack we will say, well, we did ask and we did not get, so it is not our fault. But our colleagues will still be injured or dead.

So we would like to urge a return to the basics: accountability; communication; responsibility; risk assessment; public relations; equity; and justice. The Brahimi report said nothing we did not already know as staff, and echoed what our members have been saying ad nauseam in every forum to every responsible

party in the United Nations for years. We addressed the issue of security the last two times we spoke to HLCM, and we have a detailed joint statement with FICSA attached to the report of the Inter-Agency Security Management Network. Here are some basic reminders of our concerns:

- The unequal treatment of national staff and the lack of protection at the time of evacuation.

- Lack of minimum operating security standards compliance in some offices, especially those away from country capitals.

- The need to determine whether common premises afford better protection or make United Nations offices easier targets.

- The pressure placed on staff by high stress environments, and the need for increased stress counselling capacity.

- The need for the United Nations to be more insistent that Governments protect United Nations staff and that those who target the United Nations should be brought to justice.

- The need for the United Nations to accept its responsibility as employer, while putting pressure on host Governments to recognize their responsibilities under the Charter and other agreements.

- Improper use of contracts, unfairly placing the security burden on employees rather than the Organization.

- The need to recognize the added risk for female staff in countries where women's rights are not fully respected.

- Involvement of staff representatives in the security forums.

The time for statements has passed.

We look forward to working creatively on the steering group and individually with our various management bodies on credible, realistic actions to create a safe environment and a real culture of security and accountability in the United Nations.

We will touch briefly on some of the other items on the HLCM agenda:

- **Professional salaries in Europe — and elsewhere**. We support the paper presented by the International Atomic Energy Agency (IAEA) and express our disappointment that ICSC was unable to come up with a fix for the erosion of salaries consequent on the falling value of the United States dollar. We urge a quick resolution to this grave problem affecting staff worldwide. In the worst case situation of ICSC not providing a solution, we urge the Secretary-General to use his power, in accordance with the staff regulations and rules, to revise post adjustment levels to ensure equitable buying power and prevent further erosion of salaries and benefits among staff. But this would only be a temporary fix. What is needed is for ICSC first to recognize that there is a problem and then to change its criteria for setting the out-of-area factor. The current rates do not reflect reality and do not serve the purpose of maintaining stability.

The ICSC retention survey notwithstanding, we have widespread reports that the administration is experiencing difficulty in recruiting staff in the euro zone

because salaries are no longer competitive. And this is not just in the euro zone — international professional and even local salaries are uncompetitive throughout much of the world, including the 86 countries now listed by the World Bank as middle income countries. When you add the insecurity factor, it is no wonder we are becoming a less and less attractive employer. If staff are going to be working in unsafe conditions, they must at least be adequately compensated for having the courage to sign on in the first place.

- **The Representatives of Internal Audit Services of the United Nations Organizations and the United Nations-wide evaluation system**: In the areas of both audit and evaluation, we support the move to professionalize and harmonize these functions across the United Nations and, in the light of the many scandals over the years, believe these functions should report to the governing boards rather than to the executive heads of our various organizations.

- **Senior leadership training**: We fully support senior leadership development, hoping that eventually the lacunae in leadership which staff have identified and deplored over the years will be addressed. We welcome the progress made and urge that additional resources be diverted to this worthy initiative. As we noted last year, we believe it should also be open to the heads of staff unions and associations who are in full-time release, because, with over 1,000 staff to manage, they fit the profile of senior leaders.

- **HR Network report**: We note that the report of the HR Network mentions in detail the difficulty with release of the head of FICSA. We assure you that other Federations have the same problem and believe that the release of the staff federation head, through the organization of the head or through cost-sharing, should become the practice in the United Nations.

- **ICSC survey**: We welcome the survey and congratulate ICSC for its initiative. We look forward to being able to do a "deep dive" into the data, and would therefore suggest that this be made available to all, including the Federations, to allow us to derive the maximum benefit from such a laudable undertaking.

- **Harmonization of business practices**: We believe the harmonization of business practices across the United Nations will be a critical step in enhancing mobility of staff among the agencies and organizations that make up the system. We hope that this will be followed by harmonization in other areas: human resource practices; application of the staff rules; job descriptions; and contractual modalities.

- **UN Cares**: UN Cares is another worthy initiative which we fully support. The success so far has been outstanding, due to the excellent cooperation and cost-sharing among agencies. We hope this example is followed in other areas — including the release of Federation heads!

This has been a long statement, due to the fact that we, the Federations, are not invited to the rest of this discussion, and we therefore have to cram as much as we can into this "dialogue". Ladies and gentlemen, it is full time for HLCM to change the way it operates. Contrary to conventional wisdom, staff representatives are not the enemy of management. When staff representation works well — and it can work well, we can give some examples — the staff body becomes an invaluable partner in helping in the smooth running of the Organization and organizations which we

represent. Start here. Normally this item on the agenda is called a "dialogue" with the staff federations. But normally members of this Committee have nothing to say to us or to ask of us. Our friends from FICSA travel across the Atlantic to give a statement here, and when HLCM is not in New York the others make the same trek. This is not a good use of the Organization's resources. There is no such thing as a one-sided dialogue. A monologue is conducive neither to good understanding nor to good relations.

I thank you.

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