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JOINT INSPECTION UNIT

Report of the Joint Inspection Unit on the question of the
continuation of the Unit

Note by the Secretary-General

The Secretary-General transmits herewith to Member States a report submitted by the Joint Inspection Unit on the question of the continuation of the Unit.

* A/31/50.

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CONTINUATION OF THE JOINT INSPECTION UNIT

Report

by

The Joint Inspection Unit

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INTRODUCTION

1. The Joint Inspection Unit, the creation of which was proposed by the Ad Hoc Committee of Experts to examine the Finances of the United Nations and the Specialized Agencies 1/ and approved under General Assembly resolution 2150 (XXI), dated 4 November 1966 and, subsequently, by ten other agencies and organizations of the United Nations system 2/, started functioning on 1 January 1968. Set up initially for a period of four years, the Unit was in 1971 extended, under General Assembly resolution 2735 (XXV), by two years and in 1972, under General Assembly resolution 2924 (XXVII), by a further four years until 31 December 1977.
2. In part B of resolution 2924 (XXVII) the General Assembly decided to evaluate, at its thirty-first session, the work of the Unit in conjunction with the overall review of the machinery of the United Nations and of its system for administrative and budgetary control, investigation and co-ordination. For this purpose, it requested the views of the Secretary-General as chief administrative officer of the United Nations and as Chairman of the Administrative Committee on Co-ordination, the relevant views of the governing bodies of the specialized agencies, the Economic and Social Council, the Committee for Programme and Co-ordination and the Joint Inspection Unit, as well as the comments and recommendations of the Advisory Committee on Administrative and Budgetary Questions.
3. Subsequently, the General Assembly, at its thirtieth session, recalling paragraph 2 of part B of resolution 2924 (XXVII), requested the Secretary-General "to give primary attention to the Joint Inspection Unit" 3/. In the light of this decision, the views of the Unit presented in this document concern essentially its own future and refer to other bodies that make up the machinery for administrative and budgetary control, investigation and co-ordination only when necessary.
4. The Ad Hoc Committee of Experts proposed for the Unit a specific mandate. This proposal was approved by the General Assembly and the other participating organizations. The Committee's proposals concerning the mandate of the Unit were as follows:

1/ Document A/6343, dated 19 July 1966

2/ Food and Agriculture Organization, International Atomic Energy Agency, International Civil Aviation Organization, International Labour Organisation, Inter-Governmental Maritime Consultative Organization, International Telecommunication Union, United Nations Educational, Scientific and Cultural Organization, Universal Postal Union, World Health Organization, World Meteorological Organization.

3/ Decision taken at the 2440th plenary meeting, on 15 December 1975.

"The Inspectors should make on-the-spot inquiries and investigations, some of which may be without prior notification, as and when they themselves may decide, in any of the services of the different organizations of the United Nations family. Acting singly or in small groups, they should have the broadest powers of investigation in all matters having a bearing on the efficiency of the services and the proper use of funds, and should be accorded at the highest level full co-operation and facilities for the discharge of their duties, including access to any particular information or document. They should be bound by professional secrecy as regards all the information they receive and the contents of their reports. Standards for the conduct of the inspections, and the inspection programme should be determined by the Unit itself. The Inspectors themselves should have no power of decision, nor should they interfere in the operation of the services they inspect" 4/.

The Committee suggested furthermore that the Inspectors:

"...would visit the different services of the United Nations organizations, if necessary without prior notification, in order to examine the way in which they operate and to propose any reforms they deem necessary" 5/.

In the Committee's opinion:

"Such a Unit would ... make an effective contribution not only towards improved management and methods but also towards achieving greater co-ordination between the organizations" 6/.

5. It is for the Member States to judge the extent to which the Joint Inspection Unit has fulfilled the purposes for which it was created. Should the General Assembly wish to continue the Unit beyond 31 December 1977 (expiry date of the Unit's current term), the following comments are submitted for its consideration.

4/ Document A/6343, paragraph 67B(c).

5/ Ibid. paragraph 65.

6/ Ibid. paragraph 66.

I. TERMS OF REFERENCE, FUNCTIONS AND POWERS

A. General

6. The experience of the Joint Inspection Unit during the last eight years has confirmed the soundness of its broad mandate, i.e. the Unit's terms of reference, functions and powers, as outlined in paragraph 4 above. This mandate has enabled the Unit to investigate and study a large number of problems in full independence and freedom of operation.

7. Suggestions for a precise definition of the mandate have been many and diverse e.g. that the Unit should confine itself to or concentrate on this or that aspect of management or operation; on matters of concern to a single organization or system-wide, etc. In actual practice, the Unit has had no difficulty with the mandate suggested by the Ad Hoc Committee of Experts and approved by the General Assembly and the legislative organs of the other participating organizations. On the contrary, this mandate has helped the Unit to diversify its programmes and to deal with different system-wide problems, as well as with those of individual participating organizations. The Unit believes that, by and large, the subjects covered by its inspection reports have satisfied the criterion of topicality and the priorities determined by Member States. Further experience has confirmed it in the view reflected in the General Assembly's resolution 2924 (XXVII) that a wide mandate is proper and necessary for a body like the Unit.

8. The view has sometimes been expressed that the Unit's reports should not deal with policy matters but should be confined to factual inspection. Such an interpretation ignores the fact that the Unit has been created to advise Member States on the advantages and drawbacks of the various possible policies and decisions in relation to "the efficiency of the services and the proper use of funds". In stating that the Inspectors could propose, after examining the way in which the different services operate, "any reforms they deem necessary", the Ad Hoc Committee of Experts clearly defined the role and powers of Inspectors. If the Unit had not proposed policy reforms on such matters as budgetary presentation, the use of consultants, official travel, questions of personnel, etc., its usefulness for Member States would have in fact disappeared.

9. In the light of the above considerations and on the strength of its eight years' experience, the Unit considers that its basic scope of inspection, as proposed by the Ad Hoc Committee of Experts and approved by the General Assembly and the other legislative organs, requires no change and that, as they already indicated to the General Assembly at its twenty-seventh session, "any elaboration, restriction or attempt to give precision to its present mandate would detract from the Unit's usefulness and adversely affect its freedom of operation" 7/.

7/ Document A/C.5/1432, dated 26 July 1972.

B. Evaluation

10. Several governmental bodies 8/ have recently called attention to the need for more systematic evaluation of the activities of the organizations of the United Nations system and have suggested that the Joint Inspection Unit might play a role in such evaluation. In addition, the governing organs of all the larger organizations have recently stressed the need for better and more systematic evaluation.

11. The Working Group on United Nations Programme and Budget Machinery referred in its report to evaluation as "the continuous measuring, monitoring and reporting of programmes and activities on a selective basis to determine the degree of effectiveness, efficiency and economy achieved in relation to established goals and objectives. This evaluation process, serving as "feedback", provides a basis for the next cycle of planning and programming" 9/.

12. In the light of this definition, evaluation should consist of a comparison between approved programmes and achievements to identify gaps and the reasons thereof for the following purposes: the taking of timely and effective corrective action to ensure that the objectives of the various components of a programme and of the programmes as a whole are realised; the revision of programmes which are shown to be unrealistic, ineffective or of excessive cost; and providing "feedback" to guide future planning and programming. Thus, though complex, time-consuming and costly, evaluation must be a continuous process and an essential component of sound management. It is clear that evaluation must be carried out primarily within each organization. The creation of a new inter-agency body for such continuous evaluation in the various organizations of the United Nations system cannot be a substitute for this; even if it were practicable, it would be far too expensive.

13. However, some form of external evaluation may be required in order to provide the necessary checks and balances. Rather than create another body for such external evaluation, the Unit could be entrusted with this function. Most of the Unit's reports contain some elements of evaluation of programmes and methods, general or specific, and this forms the basis for its recommendations. Inspection and evaluation are complementary; indeed proper external evaluation should be based upon free and independent inspection. The contribution of the Unit to systematic evaluation should be, firstly, to undertake at its own initiative ad hoc evaluation of particular programmes or activities, system-wide or of a given

8/ Report of the Working Group on United Nations Programme and Budget Machinery; A/10117, 17 June 1975; paragraph 69.

- Report of the Group of Experts on the Structure of the United Nations system; E/AC.62/9, 28 May 1975; paragraph 132.

- Decision of the Executive Board of UNESCO; 92/EX Decisions, May 1973; Item 3.3.

- Governing Body of ILO. Report of the Programme, Financial and Administrative Committee at its 198th session, November 1975, GB 198/12/39, 40 and 41.

9/ Document A/10117, dated 17 June 1975; paragraph 67.

organization; secondly, to advise participating organizations on the methodology for evaluation and to periodically assess the application of the methodology adopted by each organization; lastly, it should make inter-organization comparisons of the results of organizations' evaluation studies in the same field, with a view to developing standards of achievement and encouraging the adoption of techniques which have proven to be efficient and economical. On the other hand, the Unit believes that it may not be appropriate for Inspectors, as members of an external body, to participate in evaluation activities undertaken by the Executive Heads.

14. If it were decided to entrust the Unit with external evaluation functions as described above, it would be necessary to strengthen it. Even so, this would be less costly than creating new machinery.

II. STATUS, COMPOSITION AND APPOINTMENT

15. Presumably because the Joint Inspection Unit is a unique body in the United Nations system, there still seems to be some confusion as to its exact nature, since there has been no clear recognition of its character as a subsidiary body of the General Assembly and of the legislative organs of the other participating organizations.
16. The Ad Hoc Committee of Experts was at pains to emphasize the independence of the Unit, which Member States, accepting the Committee's recommendation, have for their part repeatedly stressed and upheld. It has also been recognized that the Inspectors are not staff members, being responsible to the General Assembly and the legislative organs of the other participating organizations. Thus, the Unit fulfils the essential conditions of a subsidiary body, namely: establishment by a principal organ with a definite mandate from the latter; responsibility to that organ, and independence of action in the performance of its work. The fact that the members of the Unit receive remuneration is incidental and is due to their being required to perform full-time duties (with headquarters in Geneva), as is the case, for example, with the Chairman and Vice-Chairman of ICSC (with headquarters in New York).
17. The independence of Inspectors must continue to be an essential feature of the Unit. Member States clearly wanted a body from which they could obtain frank, unbiased and impartial opinions as to whether the activities of the participating organizations were being carried out in an efficient and economical manner. Only a body free from outside interference could perform such a task. It is clear, therefore, that Inspectors may not seek or receive instructions from the secretariats of any of the participating organizations.
18. The Unit has now eight Inspectors, selected on the basis of equitable geographical distribution. A relatively small and compact membership has advantages, including economy of expenditure and the development of teamwork - a particularly important consideration in a body like the Unit. Nevertheless, if additional responsibilities in the field of evaluation are placed on it, some increase in membership may be necessary (see paragraph 14 above).
19. At present, Inspectors are nominated by countries selected by the President of the General Assembly and are appointed by the Secretary-General, after consultation with ACC. In the view of the Unit, the appointment of Inspectors should be confirmed by the General Assembly. Such confirmation and the resulting clear recognition of the Unit as a subsidiary body would enhance its status and facilitate its task. This question of status is not a matter of prestige. It is required to emphasize that Inspectors are independent of the participating organizations and can thus provide for governing organs and Executive Heads an impartial view on all matters bearing on the efficiency of the services and the proper use of funds.
20. The Unit is aware of suggestions for the rotation of countries which provide Inspectors. Although the eight countries from which members of the Unit are drawn have remained unchanged, there has been a substantial turn-over among individual

Inspectors: during the last eight years, fourteen Inspectors have held the eight posts and during this ninth year at least two new Inspectors have been appointed. While it is for the General Assembly to determine which countries shall provide Inspectors, the Unit, on the basis of experience, takes this opportunity to point out some considerations in this regard which merit being taken into account. Because of the complexities of the United Nations system and the adverse effect on a small unit of excessive turn-over, the inspection function in the system, more than in Governments, requires continuity. Even if he has had previous experience of United Nations affairs, it takes considerable time for a new Inspector to acquire the detailed and specialized knowledge which is needed to make an effectively critical examination of the problems of the many organizations of the system. Consequently, if a system of rotation is adopted, it should be applied on a gradual basis, but equally to all nominating countries. In the light of the above, the Unit doubts whether there need be a strict system of rotation or whether it should not be left to Member States to make changes in the countries providing Inspectors, as and when thought necessary, by mutual agreement, on much the same considerations as apply to the membership of other subsidiary bodies.

21. The General Assembly decided in 1972, on an experimental basis, that the term of Inspectors should be four years, renewable. In the view of the Unit, based on its experience and the other considerations referred to in the previous paragraph, the period of four years is on the whole too short. A term of six years, renewable, would appear to be more suitable. If for any reason an Inspector leaves the Unit before the expiry of his term, the remainder of his tenure would be filled by another person nominated by the same country.

22. The Unit does not wish to comment on the question of the qualifications required of Inspectors, since this is a matter for Member States to decide. It would merely point out that any limitation of the age of initial appointment could well create difficulties for many Governments in nominating suitable candidates of the required experience, and it would perhaps be best not to fetter the discretion of Governments in this matter.

III. RELATIONSHIP WITH PARTICIPATING ORGANIZATIONS AND OTHER BODIES

23. The Ad Hoc Committee of Experts recommended (and this recommendation was later endorsed by the General Assembly at its twenty-first session) that the Inspectors "should be accorded at the highest level full co-operation and facilities for the discharge of their duties, including access to any particular information or document 10/. This request for full co-operation has been reiterated on various occasions by other legislative and governing organs. Most recently, at its 2412th plenary meeting, on 20 November 1975, the General Assembly unanimously approved a recommendation of its Fifth Committee 11/ that the Assembly should:

"(c) Call upon secretariats to continue to co-operate closely with the Joint Inspection Unit, inter alia through a dialogue with the Inspectors both before and after the submission of reports, so as to permit the Joint Inspection Unit to work under optimal conditions and to secure the best possible results from its work;..."

24. While the Unit acknowledges with appreciation the co-operation which it has received by and large from most participating organizations, its experience shows that the relationship between it and the secretariats of some organizations needs to be further improved. It believes that continuing lack of understanding by many officials in these organizations of the nature of the Unit and of its independent status is among the causes of this problem.

25. The administrative arrangements and procedures governing the relationship between the secretariats of the participating organization and the Unit, as well as the handling of the latter's reports, vary from one organization to the other in detail and comprehensiveness. Generally speaking, most organizations have appointed liaison officers as focal points for their contacts with the Unit and to facilitate the Inspectors' work. While this has proved useful, the relationship between the organizations and the Unit should be reinforced further and made more substantive. To this end, it might be advisable for the organizations to appoint, as has already been done by some, as liaison officers, officials who have, within their respective secretariats, responsibility for management and/or internal inspection. In addition, it would be helpful if the liaison officers could ensure that the members of their secretariat have adequate information about and understanding of the terms of reference and methods of functioning of the Unit, particularly prior to an inspection visit.

26. The co-operative relations which the Unit has endeavoured to develop with external bodies of the United Nations system are of varying degrees of closeness. With the Panel of External Auditors the Unit has maintained regular contact through annual meetings. With ICSC and UNITAR, memoranda of understanding, providing guidelines for mutual co-operation, have been agreed. The Unit also meets with the ACABQ once a year. In addition to these formal arrangements, the Chairman and other

10/ Document A/6343, paragraph 67B(c); and General Assembly resolution 2150 (XXI).

11/ Document A/10369 and Corr. 1.

members of the Unit have tried to maintain informal contact with their opposite numbers in these external bodies. Generally speaking, the Unit feels that mutual substantive co-operation and consultations between it and some of these external bodies could be further improved without prejudice to their respective constitutional positions and responsibilities and independence as subsidiary bodies in the United Nations system.

27. The Unit's annual work-programme is prepared on the basis of requests for studies from legislative and governing organs; suggestions which it invites from participating organizations and the Panel of External Auditors, ICSC and UNITAR; its own observations and experience; its assessment of priorities as regards suitable subjects for inspection; and further consultations, if necessary, with the organizations and bodies mentioned above. This procedure has enabled the Unit to avoid in its eight years of existence any duplication with the work of other bodies.

28. While suggestions from the above organizations and bodies are welcomed, the Unit considers that it must maintain its freedom in the final selection of subjects for study and investigation as an essential attribute of its functions as an external inspection body. It would, therefore, not be expedient for these organizations and bodies to be consulted again and invited to comment approvingly or disapprovingly on the Unit's final work programme.

29. The Unit has maintained informal contact with the internal management or inspection services of the participating organizations. This has made it possible to ensure that when a study by the Unit concerns subjects also considered internally by an organization, double collection of data may be reduced to a minimum. But the fact that a question is being considered internally by a participating organization cannot be a valid reason for avoiding external investigation by the Unit of the same or a similar question.

IV. THE ROLE OF THE CHAIRMAN

30. The existing practice concerning the appointment, functions and powers of the Chairman have proved satisfactory. The election of the Chairman on a rotating basis for one year is consistent with the equality of all members of the Unit and enables the Chairman to play a co-ordinating role in respect of the Unit's work programme for the year, and to represent the Unit, if need should arise, at meetings of United Nations bodies and perform on behalf of it other representational functions. The Chairman should continue to be the channel of communication between the Unit and the Executive Heads of the agencies, organizations and other bodies.

V. REPORTS

31. From 1 January 1968 to 31 May 1976, the Unit has issued a total of 79 reports and 14 notes. Of the 79 reports, 24 were system-wide, nine were addressed to several participating organizations and 46 to individual organizations.

32. The Unit sees merit in the suggestion that it should be collectively responsible for its reports, provided that this principle is interpreted and applied reasonably. Its over strict interpretation, in the sense that all members of the Unit and the Unit as a whole must be responsible for every report in its entirety, will not, because of the special nature and composition of the Unit, prove practicable. Indeed, an effort to achieve absolute unanimity may in practice prove counter-productive. However, as observed by ACABQ, it would be desirable that "while the texts of reports remain the responsibility of their authors, the recommendations may be tested against the collective wisdom of the Unit" 12/. The Unit has in fact endeavoured to achieve this by circulating the draft reports prepared by Inspectors to other members of the Unit and requesting their comments. The written or oral comments received are duly taken into account. The report of one or more Inspectors is thus finalized in consultation with other members of the Unit, even though the responsibility for the report rests with the author(s). In the experience of the Unit, this is a suitable method, though such consultations could be further refined in the future. Each such report could, if thought necessary, carry a prefatory note to the effect that the report is issued with the general concurrence of the Unit. The Unit wishes to add that the contingency of a dissenting note has not arisen in the past eight years.

33. It is self-evident that, to be of maximum usefulness, the Unit's reports, should be made available to Member States by all participating organizations as soon as possible after issue, without awaiting the related comments of the Executive Heads and that governing and legislative organs should be in a position to consider these reports together with the comments of the Executive Heads with a minimum of delay. This has not always been so in the past. It is hoped that the adoption by the General Assembly at its thirtieth session of its decision inter alia to "...reiterate that the procedures for the handling of Joint Inspection Unit reports should uniformly allow for these reports to be made available to all Member States as soon as possible after issue, as well as to be discussed by legislative bodies without undue delay..." 13/ will provide the necessary corrective and that the procedure decided by the General Assembly in the case of the United Nations shall be adopted by all other participating organizations.

12/ Document A/8835, paragraph 11.

13/ Decision of the 2412th plenary meeting, on 20 November 1975.

34. The procedures for the consideration of reports by governing organs of the United Nations need to be reviewed. In the United Nations, apart from ECOSOC, which is its governing organ in economic and social matters and in the field of human rights, there exists a number of other governing organs of other organizations, e.g. UNCTAD's Trade and Development Board, the Governing Council of UNDP, the Governing Council of UNEP, the Executive Committee of UNHCR, the Executive Board of UNICEF, UNIDO's Industrial Development Board, the regional and economic commissions, etc. The present practice of sending the Unit's reports concerning the United Nations, irrespective of their nature and content, together with the Secretary-General's comments, to ACABQ, which then reports to ECOSOC or the General Assembly, as the case may be, results in many reports not being discussed by the governing organs of the organizations whom the subject matter of the reports essentially concern. The Unit believes that, apart from reducing the present heavy work-load of ACABQ, it would facilitate the consideration of reports by the governing organs concerned were the present procedure to be modified so as to ensure that the Secretary-General, to whom the reports concerning the United Nations are addressed, could be given the responsibility having regard to a report's content, of submitting it together with his comments, if any, directly to the governing organs concerned or to ACABQ, as appropriate. For example, reports dealing with substantive aspects of technical co-operation would be placed before the Governing Council of UNDP. Reports dealing with administrative and budgetary questions and other questions with important financial implications for the United Nations would be considered by ACABQ. Reports dealing with programmes and co-ordination in the United Nations system and other reports of substantive interest to ECOSOC would be submitted to the latter through CPC and/or the inter-sessional co-ordination committee of ECOSOC, should one be created. On the other hand, if a report deals with substantive aspects and at the same time contains comments or proposals with financial implications or affecting the rational use of funds which concern ACABQ, the latter might consider the administrative and financial aspects and send its comments to the governing organ concerned, or to CPC or to ECOSOC, as required. In any event, copies of all reports of the Unit should be made available to ACABQ. To facilitate the Secretary-General's task, the Unit would indicate which governing organ of the United Nations a given report essentially concerns.

35. Follow-up action on the approved recommendations of inspection reports is of course the responsibility of the participating organizations. But the Unit should be informed periodically by them of the follow-up action they have taken. If it feels that this action has been insufficient or is not appropriate to a recommendation, the Unit may call attention of the organizations to this in a formal report, a note or a letter.

VI. CONDITIONS OF SERVICE

36. If the Unit is to be maintained on a permanent basis, the conditions of service applicable to its members should be clearly defined. These should take into account the independent status of the Unit as a subsidiary body, the fact that Inspectors are full-time officials on the same footing as others referred to in relevant General Assembly resolutions 14/ and that they cannot take up outside employment during their term as Inspectors or any employment with any organization of the United Nations system for a number of years after leaving the Unit.

37. The question of pensions for Inspectors has been under consideration by the General Assembly, which will take a decision at its thirty-first session. The Unit feels that like other officials who give full-time service to the United Nations, its members should be eligible for pensions and that should the General Assembly decide this question affirmatively, the decision should apply both to future and present Inspectors. It may be added that exclusion of Inspectors from eligibility for a pension might have adverse effects on recruitment.

14/ e.g. Resolution 3188 (XXVIII), dated 18 December 1973.

VII. ADMINISTRATIVE, BUDGETARY AND FINANCIAL ARRANGEMENTS

38. The fact that the Unit is located in Geneva has proved economical and convenient and has greatly facilitated its work. Besides being the headquarters of the United Nations office at Geneva, ECE, HCR, UNCTAD and a number of other United Nations bodies, Geneva is the headquarters of ILO, ITU, WHO and WMO and is only a relatively short distance away from the headquarters of IMCO in London, FAO in Rome, IAEA and UNIDO in Vienna, UNESCO in Paris and UPU in Berne. It is also the venue of the summer sessions of ECOSOC and of numerous meetings and conferences convened by the United Nations system in the economic and social fields. Its present location is thus ideal from the point of view of economy in travel expenditures and facility of inspection of and consultations with the participating organizations.

39. The budget estimates prepared by the Unit should be submitted with the comments of ACC to ACABQ which, after examining them, would submit them for approval to the General Assembly. The Chairman of the Unit should be invited to participate at discussions of its budget by the competent organs of the United Nations.

40. The Unit's secretariat is provided by the Secretary-General of the United Nations on behalf of ACC. In view of the importance of efficient secretariat assistance to the Unit, both the number and grades of the staff serving the Unit should be determined after consultation with the Unit and no appointment of a professional staff member should be made without such consultation.

41. The responsibilities of the Unit's Executive Secretary are increasing and will increase further if the Unit is to play a role in evaluation and has to develop much closer rapport with other reviewing bodies, as well as with other participating organizations. Bearing in mind the difficulties of recruiting and retaining for a reasonable period of time suitable persons for this post, the Unit believes that it would be harmful to reduce its level, which has hitherto been at D-2.

42. The Unit refrains from making any other comments at this stage, in the belief that these questions could more appropriately form the subject matter of discussion between the Secretary-General and the Unit after the General Assembly has decided upon the latter's future.

* * *

43. Were the General Assembly to decide to continue the Joint Inspection Unit, it might wish to adopt a formal statute defining the Unit's terms of reference. A draft statute for the Unit, reflecting the views expressed in this report, is annexed.

Annex

DRAFT STATUTE OF THE JOINT INSPECTION UNIT

A. Establishment

1. The Joint Inspection Unit, created under General Assembly resolution 2150 (XXI), of 4 November 1966, and extended thereafter under resolutions 2735 (XXV) and 2924 (XXVIII), is hereby established on a permanent basis with effect from 1 January 1978.
2. The Unit shall perform its functions in relation to the United Nations and other agencies and organizations of the United Nations system which accept the present Statute (hereinafter referred to as "Participating Organizations").
3. The Unit shall be a subsidiary body of the General Assembly of the United Nations and of the legislative bodies of the other participating organizations and shall be responsible to them.

B. Composition and Appointment

4. The Unit shall consist of not more than Inspectors. Inspectors shall be appointed in their personal capacity and chosen from among members of national supervision or inspection bodies or from among persons of similar competence on the basis of their special experience in national or international administrative and financial matters.
5. The appointment of Inspectors shall be made in the following manner:
 - (a) The President of the General Assembly shall, commencing with the thirty-first session of the General Assembly and each six years thereafter, draw up, with due regard to the need for equitable geographical distribution and continuity in the membership of the Unit, a list of countries that will be requested to propose candidates;
 - (b) The Secretary-General shall request each of the countries selected by the President of the General Assembly to nominate a candidate, or preferably a panel of candidates, for an Inspector's post. The Secretary-General, in consultation with the other members of ACC, shall appoint an Inspector from each of the designated countries and the appointments shall be submitted to the General Assembly for confirmation.
6. The duration of Inspectors' appointments shall be six years, renewable. If an Inspector is unable for any reason to serve out his term, he shall be replaced by another, nominated by the same country, and appointed by the Secretary-General for the remainder of his predecessor's term.

C. Functions, Powers and Responsibilities

7. The Inspectors shall have the broadest powers of investigation in all matters having a bearing on the efficiency of the services and the proper use of funds.

8. They shall provide an independent and external view of these matters through inspection and evaluation aimed at improving management and methods and at achieving greater co-ordination between organizations; and they may propose any reforms they deem necessary.

9. Evaluation shall include advice to participating organizations on their methods of internal evaluation, periodic assessment of these methods, inter-organization comparisons of the results of internal evaluation and ad hoc evaluation of programmes and activities.

10. The Inspectors shall, inter alia, examine the manner in which the programmes and activities they investigate are carried out and the decisions of legislative and governing bodies are implemented, in order to identify gaps between objectives and results and any deficiencies in the implementation of such decisions from the point of view of efficiency and economy.

11. Acting singly or in small groups, the Inspectors shall make on-the-spot inquiries and investigations, some of which may be without prior notification, as and when they themselves may decide, in any of the services of the participating organizations.

12. The Inspectors shall have no power of decision, nor shall they interfere in the operations of the services they inspect.

13. The Inspectors shall be accorded by participating organizations at all levels full co-operation and facilities for the discharge of their duties, including access to any particular information or document, confidential or otherwise, relevant to their work.

14. The Inspectors shall be bound by professional secrecy as regards all confidential information they receive.

15. The Inspectors shall discharge their duties in full independence and in the sole interest of the United Nations system of organizations.

16. Standards and procedures for the conduct of inquiries and investigations shall be determined by the Unit.

D. Work Programme

17. The Unit shall be responsible for preparing its annual work programme. In doing so, it shall take into account, besides its own observations and experience

and assessment of priorities as regards suitable subjects for inspection, any requests of the legislative or governing bodies of participating organizations and suggestions received at the invitation of the Unit from the executive heads of the participating organizations and external reviewing bodies of the United Nations system. A copy of the work programme, as approved by the Unit, shall be sent to the Secretary-General for transmission to Member States, to the executive heads of the participating organizations and to the external reviewing bodies.

18. To avoid duplication and to promote co-operation and co-ordination with the work of other bodies of the United Nations system with related responsibilities, the Unit shall remain in close contact with these bodies and exchange work programmes and documents with them.

E. Relationship with Participating Organizations and Other Bodies

19. The Unit shall submit an annual report on its activities to the participating organizations through their executive heads.

20. Each participating organization shall include in its annual report to the Economic and Social Council a section on the work of the Unit as it relates to the organization.

21. Each participating organization shall appoint a senior member of its secretariat, preferably the official in charge of internal management and/or inspection services, for liaison with the Unit.

F. Reports

22. Three types of documents may be issued by the Unit: Reports, Notes and Confidential Letters.

23. Inspectors shall draw up, over their own signature, reports for which they are responsible and in which they shall state their findings and propose solutions to the problems they have noted. The reports shall be finalized after consultation between the members of the Unit. In the absence of any dissenting opinion, reports should be taken to represent, as regards the main recommendations, the collective thinking of the Unit.

24. The procedure for processing Reports shall be as follows:

- (a) The Unit shall submit the original version to the executive heads of the participating organizations concerned;
- (b) Translation of reports of concern to more than one participating organization shall be arranged by the Unit. Reports of concern to only one participating organization shall be translated by that organization;

- (c) Upon receipt of reports, the executive head(s) concerned shall take immediate action to distribute them to the Member States of their organization(s);
- (d) When a report concerns only one participating organization, the report and comments thereon of the executive head shall be transmitted to the governing body of that organization not later than three months after receipt of the report, for consideration at the next meeting of the governing body;
- (e) When a report concerns more than one organization, the respective executive heads shall consult with one another and co-ordinate their comments. The report, together with the joint comments and the comments of the respective executive heads on matters that concern their particular organizations, shall be submitted to the legislative or governing bodies of the latter, not later than six months after receipt of the report, for consideration at the next meeting of the legislative or governing bodies concerned. Should, in exceptional cases, the period of consultation require more than six months, an interim submission shall be made to the governing bodies concerned explaining the reasons for the delay and setting a firm date for the submission of the definitive comments;
- (f) In the case of the United Nations, reports shall be considered by the legislative or governing bodies concerned, including those of other organs of the United Nations. To this end, the Unit shall indicate to which organs of the United Nations a report is of essential concern and the Secretary-General shall take this into account in distributing it. ACABQ shall receive all reports for information and in the case of reports with administrative and financial implications for the United Nations, it shall submit the reports, together with the comments of the Secretary-General and its own comments, to the Economic and Social Council through the Committee on Programme Co-ordination, to the General Assembly or the governing bodies of the other organs of the United Nations, as appropriate;
- (g) The executive heads of participating organizations shall inform the Unit of all decisions taken by a governing body of their organization on reports of the Unit.

25. Notes and Confidential Letters are submitted to executive heads for use by them as they decide.

26. Executive heads of participating organizations shall ensure that approved recommendations of the Unit are implemented as expeditiously as possible. A governing or legislative body of a participating organization may request the Unit to report on the implementation of approved recommendations. The Unit may also prepare such a report on its own initiative.

27. The Unit shall present its reports concisely and with a summary of the main recommendations.

G. Conditions of Service

28. Inspectors have the status of officials of the United Nations under the terms of the Convention on the Privileges and Immunities of the United Nations of 13 February 1946. They are not staff members of the United Nations or of any other participating organization. Without prejudice to this fact, Inspectors shall be entitled to the salary, allowances and benefits equivalent to those of a staff member of the United Nations at D-2 level, step IV, except that their pension coverage shall be as decided by the General Assembly.

29. Compensation for death or disability while in office, or in receipt of disability benefits, shall be comparable to the benefits payable in respect of participants in the United Nations Joint Staff Pension Fund under articles 34-38 of the Regulations of the Fund.

30. Inspectors shall not accept other employment during their term of office. They shall not be appointed to any post in the secretariats of the participating organizations until at least three years after the termination of their functions.

31. Inspectors shall be prepared to travel widely and spend substantial periods of time away from their headquarters.

H. Administrative, Budgetary and Financial Arrangements

32. The headquarters of the Unit shall be Geneva, Switzerland.

33. The Secretary-General shall provide such office and related facilities and administrative support as the Unit may require.

34. The Unit shall elect each year from among the Inspectors a Chairman and Vice-Chairman. The Chairman shall play a co-ordinating role in respect of the Unit's work programme for the year; he shall represent the Unit, as necessary, at meetings of United Nations organizations and bodies and perform on behalf of it other representational functions. The Chairman shall be the formal channel of communication with the executive heads of participating organizations and other bodies of the United Nations system.

35. The Unit shall have a secretariat headed by an Executive Secretary. The Executive Secretary shall be responsible for the administration of the Unit; for the supervision and co-ordination of the work of the secretariat; for providing substantive and administrative support services for the Inspectors, and for maintaining contact with participating organizations and with other United Nations bodies whose work is relevant to that of the Unit.

36. The staff of the secretariat, selected in accordance with Article 101, paragraph 3, of the Charter of the United Nations, shall be appointed by the Secretary-General after consultation with the Unit and, as regards the appointment of the Executive Secretary, after consultation with the Unit and ACC. The staff of the secretariat of the Unit shall be staff members of the United Nations and the Staff Regulations and Rules of the United Nations shall apply to them.

37. Within the approved budgetary provision, the Unit may employ such experts or consultants and auxiliary staff as it deems necessary.

38. The budget of the Unit shall be shared by the participating organizations as agreed by them. The Unit shall submit its budget estimates to ACC for initial review. The Chairman of ACC shall transmit the estimates, together with the comments of ACC, to ACABQ. The proposed budget, together with the report thereon by ACABQ, shall then be submitted to the United Nations General Assembly for consideration and approval of both the overall budget and the United Nations' share. Each participating organization shall, in accordance with its own procedures, submit its share of the Unit's budget to its legislative organ for approval. The Unit shall be invited to be represented at discussions of its budget at ACC, ACABQ and the General Assembly of the United Nations.

I. Other Provisions

39. The present Statute may be amended by the General Assembly. Amendments shall be subject to the same acceptance procedure as the present Statute.

40. A participating organization may not withdraw its acceptance of the Statute unless it has given to the Secretary-General of the United Nations two years' notice of its intention to do so. The Secretary-General shall bring any such notice to the attention of the General Assembly and, through the executive heads concerned, to that of the legislative organs of the other participating organizations.