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Joint Inspection Unit

Review of individual consultancies in the United Nations system

Note by the Secretary-General

The Secretary-General has the honour to transmit to the General Assembly his comments and those of the United Nations System Chief Executives Board for Coordination on the report of the Joint Inspection Unit entitled “Review of individual consultancies in the United Nations system” ([A/68/67](#)).

* [A/68/150](#).



Summary

The report of the Joint Inspection Unit entitled “Review of individual consultancies in the United Nations system” (A/68/67) provides an assessment of the use of individual consultants in the United Nations system by analysing relevant policies and practices and includes broader considerations of issues regarding non-staff contractual modalities.

The present note reflects the views of organizations of the United Nations system on the recommendations provided in the report. The views of the system have been consolidated on the basis of inputs provided by member organizations of the United Nations System Chief Executives Board for Coordination, which welcomed the report and supported its conclusions.

I. Introduction

1. In its report entitled “Review of individual consultancies in the United Nations system” (A/68/67), the Joint Inspection Unit, through an analysis of relevant policies and practices, assesses the use of individual consultants in the United Nations system. While individual consultancies were the main focus of the report, the inspectors discovered that, through their analysis of the information they had received and the interviews they had conducted, there was not always a clear distinction between individual consultants and other non-staff personnel. In its report, the Joint Inspection Unit therefore includes considerations of issues similar to the issue of consultancies, including other non-staff contractual modalities.

II. General comments

2. Organizations welcomed the timely report of the Joint Inspection Unit on the use of consultancies, which addresses an important issue in the management of human resources in the United Nations system. They noted that, while similarities might exist between consultancies and other types of non-staff contracts, many organizations clearly distinguished between contractual and appointment modalities. For example, financial constraints might have driven some organizations to depend more heavily on non-staff appointments, while for others the use of consultant contracts did not have the same financial impact. The report offers critical insights into the use of consultants, along with the possible risks associated with the use of this type of contractual modality. Many organizations indicated that they were in the process of reviewing human resources policies for consultancies as well as the associated business processes and that they planned to take into consideration the suggestions and recommendations contained in the report.

3. Organizations also supported the call in the report for a system-wide approach that would better align the policies associated with consultancies and other non-staff human resources, along with the recommendations for developing greater coherence among those policies through the inter-organization mechanisms. Organizations agreed that, considering the different policies and practices concerning consultants and individual contracts across the United Nations system, the existing inter-organization mechanisms could prove helpful in achieving the further alignment of policies, terms and conditions, code of conduct provisions and related practices.

4. While organizations welcomed the in-depth nature of the report, they also expressed concern about several aspects of its analysis, such as the lack of a stronger focus on the feasibility of implementing some of the recommendations. For example, in various instances in the report, the Joint Inspection Unit calls for introducing information technology systems into the monitoring and analysis activity. Organizations accepted that such improvements were desirable, but indicated that they might prove challenging to implement.

5. Furthermore, organizations expressed concern regarding the reference in the report to international labour standards, namely, as provided for in the conventions and recommendations of the International Labour Organization (ILO). Organizations noted that the conventions and recommendations address States, not international organizations, and they therefore suggested that the “international labour principles” referred to by the Joint Inspection Unit, and which underlie international labour standards, may not be applicable to international organizations, except in the context of general international law. Furthermore, in paragraph 88 of

its report, the Joint Inspection Unit refers to consultants and ILO Convention No. 132, while that Convention does not substantively apply to consultants but to employed persons. Similarly, in paragraph 36, the Joint Inspection Unit invokes ILO recommendation No. 198, even though the guidance for the determination of the existence of an employment relationship in the recommendation is provided for States for the purposes of a national policy of protection for workers in an employment relationship. Thus, the guidance in that recommendation does not apply directly to international organizations.

III. Specific comments on recommendations

Recommendation 1

The executive heads of the United Nations system organizations, taking into account international labour principles, should review their policies regarding the use of non-staff personnel, with a view to clarifying the criteria for choosing between staff and non-staff contractual modalities, and should monitor and assess the use of non-staff personnel in their organizations to detect and address risks in a timely manner.

6. Organizations of the United Nations system agreed with and accepted recommendation 1, in which the Joint Inspection Unit calls for a review of the use of non-staff personnel, although they noted that the taking “into account” of any “international labour principles” (see para. 5 above) was a matter for legislative bodies to determine, not the executive head.

Recommendation 2

The executive heads of the United Nations system organizations that have not yet done so should ensure that a specific consultancy policy, complemented by related guidelines and a dedicated contractual modality, is in place in their organizations.

7. Organizations agreed with the need for a specific consultancy policy, as noted in recommendation 2. They noted that in paragraph 61 of the report, the Joint Inspection Unit calls for “streamlining and defining clearly all non-staff contracts in one policy document”, which seems to contradict the recommendation in which the Joint Inspection Unit calls for a specific policy document pertaining to consultancies.

Recommendation 3

The executive heads of the United Nations system organizations should ensure that consultancy contracts in their respective organizations are complemented by comprehensive general conditions, including conflict of interest and code of conduct provisions.

8. Organizations of the United Nations system concurred with recommendation 3, in which the Joint Inspection Unit calls for comprehensive general conditions, including conflict of interest and code of conduct provisions, within consultancy contracts, and many organizations reported movement towards, if not already compliant with, those terms.

Recommendation 4

The executive heads of the United Nations system organizations, taking into account relevant international labour principles and good practices, should review the consultancy contracts in their respective organizations with a view to introducing contracts with a shorter duration in line with the ad hoc and temporary nature of the consultancy work, and developing a proper social benefits policy which considers the duration and the nature of the work performed.

9. Recommendation 4, in which the Joint Inspection Unit calls for contracts of shorter duration, received partial support from organizations. Some organizations pointed out that the duration of consultancy contracts, especially in the context of an organization's programme of technical cooperation assistance, is based on the duration of the relevant projects and programmes. Organizations also suggested that social benefits should only come into play in situations where consultants were employed for longer periods of time. The introduction of social benefits policies might also require the approval of legislative bodies for some organizations.

Recommendation 5

The executive heads of the United Nations organizations should ensure that there is an adequate policy on the use of retirees as consultants in their respective organizations and that compliance with this policy is effectively enforced.

10. Organizations accepted recommendation 5, regarding policies guiding the use of retirees as consultants.

Recommendation 6

The executive heads of the United Nations system organizations should consider appropriate modalities in order to provide consultants and other non-staff personnel with accessible and effective dispute settlement mechanisms and explore ways of listening to them and addressing their concerns.

11. Organizations accepted and supported recommendation 6, regarding access to effective dispute settlement mechanisms, with several organizations indicating that mechanisms were in place for consultants. Some organizations indicated that extending such services to other non-staff contract holders would require examination by legal offices.

Recommendation 7

The executive heads of the United Nations system organizations should ensure that roles and responsibilities for the use of consultants are clearly established and proper monitoring and internal control measures are introduced for the effective implementation of relevant policies.

12. Organizations supported recommendation 7.

Recommendation 8

The executive heads of the United Nations system organizations should review their roster and competition policy and practices regarding the use of consultants with a view to expanding the available pool of qualified candidates

and adopting adequate competition measures, preferably adjusted to the duration and value of contracts.

13. Organizations supported the call of the Joint Inspection Unit in the recommendation for a review of roster and competition policies and practices in order to expand the pool of qualified candidates, and several organizations indicated that the process was under way. Organizations cautioned, however, that adopting a very strict approach in the recruitment of consultants might present difficulties or lead to considerable delays, with consequent negative impacts. For example, organizations operating in highly specialized areas had only a small pool of competent qualified experts available, and it was therefore not feasible to expand the roster and apply competition measures, while organizations performing emergency humanitarian relief required a means for rapid scale-up during emergencies, which might not allow enough time for a competitive consultant recruitment process.

Recommendation 9

The executive heads of the United Nations system organizations should ensure that geographical diversity and gender balance are addressed in the consultancy policies of their respective organizations and promoted proactively.

14. Members of the United Nations System Chief Executives Board for Coordination supported the need to ensure geographical and gender balance when selecting consultants, as called for by the Joint Inspection Unit in recommendation 9. Some organizations, particularly those that consider the appointment of consultants as a procurement activity, noted that such gender and geographical representation should be implemented in the context of competitive bidding processes and the relevant procurement principles. Several organizations noted that recent improvements in recruitment information systems might further improve their ability to identify suitably qualified female and underrepresented country candidates for consultancies. Finally, several organizations expressed concern that the recommendation was worded too broadly since the concept of gender and geographical diversity is primarily related to the workforce of an organization, and only in respect of its international staff. Organizations doubted that the intent of the Joint Inspection Unit was to recommend geographical diversity for consultants, which is, in many cases, driven by the location of the hiring organization. In some respects, the recommendation could be viewed as tantamount to recommending a geographical balance in respect of corporate service providers.

Recommendation 10

The executive heads of the United Nations system organizations should ensure that their respective organization has an up-to-date remuneration policy for the use of consultants supported by adequate guidelines for consistent implementation.

15. Organizations generally accepted and supported recommendation 10, addressing remuneration policies, with some organizations noting that reviews of such policies were currently under way. However, some organizations considered that the remuneration of a consultant should be given not only in accordance with the complexity of the tasks to be performed, as described in the terms of reference (see [A/68/67](#), para. 144), but also in accordance with the ability/know-how and experience of the consultant in respect of fulfilling the requirements of the terms of reference. Other organizations noted that they set consultant fees based on a

competitive process for specific terms of reference on a case-by-case basis. Consequently, the outcome of the competitive process and the “best value for money” dictated the consultant fees. Therefore, a predetermined remuneration could limit and constrain the full and effective application of the competitive selection processes, and standard remuneration packages might not yield the “best value for money”. In addition, assignments were normally based on case-specific terms of references which, combined with the competitive bidding principles, might render establishment of standard remuneration packages counterproductive.

Recommendation 11

The executive heads of the United Nations system organizations should strengthen oversight on the use of consultants through effective performance evaluation, audits, monitoring and analytical internal and external reporting, with a view to ensuring proper use of contracts and efficient use of resources.

16. Organizations supported recommendation 11, in which the Joint Inspection Unit calls for strengthened oversight on the use of consultants. Several organizations indicated that consultant oversight practices were under review as a result of the report.

Recommendation 12

The legislative/governing bodies of the United Nations system organizations should exercise their oversight function on the use of consultants through regular reviews of analytical information provided by the executive heads of the respective organizations.

17. Organizations expressed support for recommendation 12, noting that it was directed at legislative/governing bodies, with several noting that the oversight of the use of consultants was generally considered a management function.

Recommendation 13

The Secretary-General of the United Nations, as the Chairperson of the CEB, should, through the HLCM/HR Network, initiate the development of a common policy approach for the implementation of recommendations 1, 2, 3, 4, 5, 6 and 10 of this report. For this purpose, the establishment of a specific task force should be considered.

18. Organizations of the United Nations system generally agreed with the recommendation and supported the overall objective to achieve better alignment of policies. They noted, however, that producing a “single” approach might result in a lengthy exercise that would not reflect the different needs, resources and mandates of each organization within the common system, thus hampering the flexibility needed in the use of consultants for specific needs. Furthermore, in some organizations, the selection of consultants was a procurement activity, and it might therefore prove useful to include the High-level Committee on Management procurement network in such discussions. Nevertheless, organizations generally agreed that, to the extent possible, a common approach to the use of consultants and individual contractors would be welcomed.