



COUNCIL
96th session
Agenda item 14(b)

C 96/14(b)
24 March 2006
Original: ENGLISH

EXTERNAL RELATIONS

(b) Joint Inspection Unit

Note by the Secretary-General

SUMMARY

<i>Executive summary:</i>	This document provides information on JIU reports received since the ninety-fourth session of the Council
<i>Action to be taken:</i>	Paragraph 42
<i>Related documents:</i>	None

INTRODUCTION

1 Since the ninety-fourth session of the Council, the Secretary-General has received JIU reports on:

- .1 “Harmonization of the conditions of travel throughout the United Nations system” (JIU/REP/2004/10);
- .2 “Some measures to improve overall performance of the United Nations system at the country level (Parts I and II)” (JIU/REP/2005/2);
- .3 “A common payroll for United Nations system organizations” (JIU/REP/2005/4);
and
- .4 “Further Measures to Strengthen United Nations System Support to the New Partnership for Africa’s Development (NEPAD)” (JIU/REP/2005/8).

Copies of these reports are attached in annexes 1, 2, 3 and 4.

2 The Secretary-General and the senior management have given due consideration to the reports and their recommendations and the comments provided in the succeeding paragraphs are on those recommendations that are germane to the role and functions of the Organization.

For reasons of economy, this document is printed in a limited number. Delegates are kindly asked to bring their copies to meetings and not to request additional copies.

“HARMONIZATION OF THE CONDITIONS OF TRAVEL THROUGHOUT THE UNITED NATIONS SYSTEM” (JIU/REP/2004/10)

GENERAL

3 This JIU report reviews the administration of travel in the organizations of the United Nations system and contains a comparative analysis of the conditions under which staff travel are undertaken and how travel entitlements are determined in accordance with staff rules of the various organizations of the system, taking into account the rapid changes taking place in the airline industry.

4 The report has identified that, whilst many changes have been made to improve the conditions of travel over recent years, significant disparities amongst the staff rules and practices of the organizations of the system still remain, particularly with respect to the determination of entitlements for business class travel; use of lump sum options for various categories of travel; stopovers for travel of a certain duration; use of rental and private cars; payment of daily subsistence allowances; and the verification procedures for actual travel undertaken for accounting and insurance purposes under the lump sum option. The report makes a number of recommendations and suggests approaches in which the travel-related policies and practices throughout the organizations of the United Nations system may be harmonized and made more cost-effective.

Recommendation 1

The General Assembly should mandate the Secretary-General to review, within the framework of the United Nations System Chief Executives Board for Coordination (CEB), the criteria used to determine the class of travel of staff members, with a view to adopting a common policy at the United Nations system level in particular with regard to the minimum travel time for entitlement to business class. CEB should take into account the recommendation of the International Civil Service Commission contained in its annual report of 1997.

Among other factors to be taken into account are the drastic changes in the airline industry in recent years and the resulting deterioration of travel conditions, the increase in travel time as a consequence of tightened security and the opinion of the United Nations Medical Service on the health risks of long haul air travel and measures to minimize them (including the possibility of establishing a threshold by age for entitlement to business class).

5 Whilst this recommendation is addressed to the General Assembly of the UN, its Secretary-General and the CEB, a system-wide review to determine the criteria for entitlement to business class travel would promote consistency in the application of this form of entitlement. However, the factors to be considered, including the age of the traveller, in determining a system-wide-policy on travel conditions require in-depth consideration. A policy that could be driven by the age of the traveller as a barometer of health is questionable. The economic, health and social implications of a possible system-wide policy compared to the existing travel policies of the various Organizations should be established in determining any possible system-wide policy on travel.

6 With regard to the element of this recommendation which states that “...as a rule, only the heads of the organizations should travel first class and travel entitlements of high-ranking officials should align to business class in order to achieve greater uniformity”, this is consistent with the existing policy of the Organization.

Recommendation 2

The executive heads of the organizations of the United Nations system which have not yet done so, namely the World Health Organization (WHO), the International Telecommunication Union (ITU), the World Intellectual Property Organization (WIPO) and the United Nations Population Fund (UNFPA), should extend the lump sum option to family visit and education travel. The Secretary-General, within the existing inter-agency co-ordination mechanisms, should examine the benefits of extending the lump sum approach to other categories of travel (on appointment, change of duty station, separation and interviews) taking into account the experience of other organizations already applying it. In this regard, the Inspector supports the recommendation of the Open-ended High-level Working Group on the Strengthening of the United Nations, Action 25(a), to apply the payment of a lump sum for repatriation travel.

7 The lump sum policy at IMO is presently applicable to home leave travel only. Extending this policy to other categories of travel, e.g. appointment travel, travel on change of duty station, repatriation travel, travel for interviews and education travel could be beneficial to the Organization. The controls and procedures required in extending this policy could be similar to those applied for home leave travel.

8 The Secretary-General welcomes this recommendation and the senior management will give further consideration to the full range of options in reaching any decision on the way forward.

Recommendation 3

The executive heads of the organizations of the United Nations system paying a lump sum amount for home leave, family visit and education travel should use as a benchmark 75 per cent of the full economy fare (the International Air Transport Association (IATA) published fare, by most direct route).

9 IMO's benchmark is 80 per cent of the full economy fare quoted by the approved travel agent of the Organization, which is based on the consolidated fares of the airlines. It is understood that consolidated fares are, in the mean, lower than the IATA published fare. Whilst a reduction to 75 percent might appear as a five percent savings, in reality this may not be the case. In a significant number of situations, the difference in IATA published fare and the consolidated fares provided by the travel agent could be substantial. In such cases, there is no benefit to be gained from adopting the 75 percent of the IATA published fare. Additionally, in cases where the lump sum option became less attractive, staff members would not avail themselves of this option, which in turn would not benefit the Organization as intended by this recommendation.

10 The senior management will keep this recommendation under review, conscious of the need for cost effective measures in the use of the Organization's limited resources.

Recommendation 4

The executive heads of the organizations of the United Nations system which have not yet done so, namely the United Nations, the Universal Postal Union (UPU), the International Civil Aviation Organization (ICAO), WIPO, the International Labour Organization (ILO), the International Maritime Organization (IMO), WHO, ITU and the World Meteorological Organization (WMO), should discontinue the existing provisions requiring evidence of travel under the lump sum option, in line with the recommendation of the Open-ended High-level Working Group on the Strengthening of the United Nations, Action 25(a). Instead, travellers' self-certification, along with an adequate audit process (through random checks of supporting documentation to be kept by the staff members) should be implemented.

11 The Secretary-General welcomes this recommendation. However, for the time being, he remains convinced that the Organization's existing policy of requiring evidence of travel under the lump sum option works well and provides up front assurance of compliance with the applicable Staff Regulations and Rules. Whilst the honesty of staff members is not doubted, the recommended self-certification, with additional audit processes, is a trade-off of efficiency vs. control, with no tangible benefit to the entire process. The audit process would transfer from the current simple and up front verification mechanism by the production of proof of travel, to an audit process that could unnecessarily create additional work load for the limited staff, albeit random or selective sampling.

Recommendation 5

12 This recommendation is not applicable to the Organization.

Recommendation 6

The executive heads of the organizations of the United Nations common system should enforce the use of alternative modes of transportation when more cost-effective in the interest of the organizations. Relevant rules and provisions should be modified as applicable in each case.

13 Whilst IMO has a very limited amount of travel involving alternative modes of transport, whenever the situation does arise the cost-effective alternative mode of transport is used.

Recommendation 7

The use of rented cars should be regulated.

14 This situation rarely occurs at IMO and, if required, detailed consideration is given to the need for such service with respect to other public modes of transport.

Recommendation 8

In the interest of streamlining procedures for reimbursement of travel by private car, the Secretary-General should review the current mileage system with a view to replacing it by a standard rate to be applied worldwide by the organizations of the United Nations system.

15 IMO receives very few mileage claims and the Organization applies the established rate by the UN for reimbursement of travel by private car.

Recommendation 9

The executive heads of the organizations which do not pay full advance of subsistence and/or terminal expenses (ILO, WHO, the United Nations Educational, Scientific and Cultural Organization, ICAO, UPU and IMO) should introduce this best practice currently in place in various organizations of the system in order to reduce workload for processing of travel claims. Organizations should seek to automate (online) the processing of travel claims.

16 An automatic (online) processing system using the SAP Travel Module has been introduced in the Organization and is efficient. The current practice is that staff members are advanced 90 per cent of their entitlement. Consultants are advanced 100 per cent. Both are required to submit travel claims. Advancing staff full DSA and terminal expenses would, to some extent, reduce the work load for the processing of travel claims and minimizing the number of payments. The senior management will consider further measures to extend the 100 percent advance to staff members.

Recommendations 10 and 11

The executive heads of the organizations of the United Nations system where staff members travel business class should increase the threshold for the granting of stopovers for rest purposes from 10 to 16 hours. Conversely, staff members not travelling in business class should be entitled to have a stopover after a 10-hour journey.

The executive heads of the respective United Nations system organizations that have not yet done so, should adopt provisions based on best practices with regard to reverse education travel, travel of breastfeeding mothers, travel of single parents, possibility of choosing an alternative place of home leave taking into account the nationality of the spouse, and the minimum number of days to be spent in the country of home leave.

17 These two recommendations contain a number of issues that impinge on health, travel convenience and flexibility in how certain entitlements are used by staff members and those travelling at the expense of the Organization. Whilst the recommendations are welcome, further analysis is required to determine what, if any, changes need to be made to the existing travel rules to accommodate the recommendations as appropriate, which the senior management intends to carry out.

Recommendation 12

18 This recommendation is not applicable to the Organization.

“SOME MEASURES TO IMPROVE OVERALL PERFORMANCE OF THE UNITED NATIONS SYSTEM AT THE COUNTRY LEVEL (PARTS I AND II)” (JIU/REP/2005/2)

GENERAL

19 This report is divided into two parts, Part I – *A short history of United Nations reform in development* is addressed to the Secretary-General of the United Nations. Part II contains a number of recommendations, which, in the main, are addressed to the development-oriented

organizations and institutions of the UN system. However, some of the recommendations are relevant to the Organization's technical co-operation programme and how system-wide co-ordination could improve planning, programme implementation and results. Few of the recommendations address staff mobility and participatory issues in promoting and engaging in partnership development.

20 The Secretary-General's comments, therefore, are general and limited to those few issues and recommendations that could have some relevance to the work of the Organization.

Fostering a culture of partnership for improved analysis, planning, programme implementation and results

21 The Secretary-General welcomes the findings under this section of the report in the context of collaborative efforts amongst the UN system organizations to enhance overall performance of the UN system at the country level. IMO, as a normative specialized agency, has no established operational programme at the national level. However, IMO could be a beneficiary of improved co-ordination and partnership between UN organizations in planning and implementation of development programmes.

Consolidating, over time, country specific instruments to ensure improved programme outcomes

22 The Secretary-General is of the view that the consolidation of country specific instruments will be very useful for all those involved in the implementation of Poverty Reduction Strategy, whilst providing an important tool for the systematic approach to the advancement of the Millennium Development Goals. The foregoing elements have informed the development of the Organization's Integrated Technical Co-operation Programme (ITCP), e.g., the Africa Programme component of the ITCP. The Secretariat will engage in any future system-wide process that may emerge, with a view to promoting the inclusion of maritime matters in national development/poverty reduction strategy, where necessary and appropriate.

For a joint statement of executive heads of United Nations system organizations to encourage improved partnership between United Nations system organizations, using incentives and rewards

23 The Secretary-General welcomes the recommended approach for the CEB to issue a strong joint statement tasking their respective staff to enhance "co-operation, collaboration and co-ordination, including through the greater harmonization of strategic frameworks, instruments, modalities and partnership arrangements", and stating their intention to reward them for this effort.

24 Within the context of the Organization, the diminishing external funding of the Organization's ITCP underscores the need to encourage innovative approaches to resource mobilization and to expand the ITCP donor base through the promotion of the positive impact the Organization's ITCP is having on capacity-building in the maritime sector. To achieve this, staff members of the Organization are a critical asset to proactively identify possibilities for joint initiatives, with a view to increasing efficiency in programming for, and the implementation of, national development/poverty reduction strategies and the Millennium Development Goals.

Learning from each other: training and staff mobility

25 The Secretary-General notes the recommendations under this section of the report. The issues relating to common training opportunities, with a view to enhancing understanding of the diverse programming approaches and management for results cultures as well as other subject matters, with a particular emphasis on issues related to the development work of the United Nations system, are not germane to IMO as a normative organization. However, the Secretary-General, along with the senior management, recognizes the benefit to be gained from common training programmes where the subject is system-wide and would utilize such opportunities when they arise and are deemed necessary for staff members.

26 On the issue of staff mobility, the International Civil Service Commission has this on its work programme, the outcome of which could buttress the recommendations contained in the report. The Human Resources network of the CEB has supported the issue of staff mobility and the Secretary-General welcomes the input of the JIU on this matter. However, it should be acknowledged that staff mobility system-wide at some professional levels within specialized normative organizations such as IMO is unlikely, considering the specificity of the disciplines involved. For some organizations, there has been extensive investment in staff development to meet the technical demand of their mandate and this could also dissuade some organizations from fully accepting staff mobility. Nonetheless, the Secretary-General supports the recommendations and, where possible, staff mobility would be encouraged.

For greater consistency in fundraising for extra-budgetary/non-core funds

27 The recommendation, addressed to the CEB to consider setting up an inter-agency task force to deal with the issue of fundraising for extra-budgetary/non-core funding, is welcome. This could assist in pursuing the Organization's own fund-raising or resource mobilization efforts to support its ITCP. Joint approaches by UN system organizations to donor organizations could be beneficial, such as IMO, ILO and/or FAO on certain areas of joint interest and work.

“A COMMON PAYROLL FOR UNITED NATIONS SYSTEM ORGANIZATIONS” (JIU/REP/2005/4)

GENERAL

28 The Organization collaborated with the JIU on this report, whose objective was to address significant financial savings that would accrue to United Nations system organizations and to Member States, should they agree on establishing a common payroll. This report also examines payroll service delivery in different organizations in order to detect major obstacles and to develop recommendations for future improvement of payroll systems and processes. The Secretary-General fully appreciates the findings and agrees with the general thrust of the report.

Recommendation 1

The General Assembly should:

- (a) *Endorse the development of a common payroll system as the first step towards a common ERP for the United Nations system as a whole; and*
- (b) *Request the Secretary-General, in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination (CEB); to seek the highest-level commitment from the United Nations system organizations, by setting up a*

governance structure, which should speed up, co-ordinate and oversee the development and implementation of a common payroll system through the implementation of a phased approach and within the context of a common ERP system; and to report back to the General Assembly on the implementation status of this recommendation at its sixty-second session.

Recommendation 2

The Secretary-General, in his capacity as Chairman of CEB, should invite CEB to:

- (a) Establish “leader” organizations or common service entities, which can provide payroll services, on a fee or other financial basis, to those agencies that have old and antiquated systems;*
- (b) Harmonize, simplify and standardize the application across the United Nations system of the common staff rules and regulations relating to payroll and allowances; and*
- (c) Report back to the General Assembly on the implementation of the status of this recommendation at its sixty-second session.*

29 The Organization’s present payroll system is a bespoke development, which has been in use for many years and is a matter for concern, both in terms of its stability and the ongoing situation for its support. With this in view, the management is presently looking to replace this system with a more up-to-date system. A number of options are being considered, including the introduction of SAP payroll and HR modules and, in line with the recommendation above, the use of another UN organization with an existing payroll compatible with SAP as a possible outsourcing option.

“FURTHER MEASURES TO STRENGTHEN UNITED NATIONS SYSTEM SUPPORT TO THE NEW PARTNERSHIP FOR AFRICA’S DEVELOPMENT (NEPAD)” JIU/REP/2005/8

GENERAL

30 The Secretary-General and the senior management appreciate the work done by the Inspectors on addressing an issue that is clearly on the agenda of the Organization. This is evidenced by the decision by the Council last November that the theme for this year’s World Maritime Day should be **“Technical Co-operation: IMO’s response to the 2005 World Summit”**, with special emphasis on the maritime needs of Africa. The choice of this theme will give the Organization the opportunity to contribute, from its perspective, to the fulfilment of the Millennium Development Goals, adopted by the 2000 Millennium Summit and re-affirmed by last year’s World Summit, as the world community’s response to identified new needs and challenges presented, first and foremost, by the fact that hundreds of millions of people are left defenceless against hunger, disease and environmental degradation, even though the means to protect them against these are available. Maritime activity has a key role to play in meeting these goals and already provides the mechanism to promote economic development, being an important source of invisible income to many developing countries.

31 Although the Secretariat was not requested by the JIU to participate in this study, the Secretary-General is encouraged by the recommendations emanating from the JIU study and has provided complimentary comments to underscore his and the Organization’s commitment to supporting the attainment of the Millennium Development Goals from the perspective of the maritime needs of Africa.

Recommendation 1

The General Assembly request the Secretary-General to invite, on a regular basis, the AU, including NEPAD secretariat, to attend the annual consultations meetings, with a view to ensuring effective co-ordination and collaboration between the United Nations system organizations and the African Union.

32 The Secretary-General welcomes this recommendation which, when implemented, would ensure that the African Union (AU) and the New Partnership for Africa's Development (NEPAD) are kept aware of the decisions taken by the annual consultative meetings. It is understood that, in the past, such meetings have taken place without representation from the AU or the NEPAD Secretariat. From the perspective of the Organization, the Legal Affairs and External Relations Division is currently consulting with the AU Secretariat with a view to finalizing an Agreement of Co-operation between IMO and the AU, following the change of name from OAU to AU and taking into account the AU's expanded mandate and new organs, as well as its involvement with the implementation of the NEPAD Action Plan.

Recommendation 2

The General Assembly request the Secretary-General to:

- (i) Conduct an independent study on the potential benefits of establishing regional and subregional hubs for United Nations system representation in Africa, as part of a concerted system presence strategy in Africa, taking into consideration different geographical configuration of the African regional and subregional institutions; and*
- (ii) Review the institutional architecture of the United Nations system in Africa with a view to avoiding duplication and overlapping, cutting costs, and more generally, improving policy and operational coherence.*

33 This recommendation is welcomed by the Secretary-General and the senior management. IMO has three Regional Presence Offices in Africa which are not reflected in Annex 1 of the JIU report. Two of these offices are located in the same offices with the UNDP and/or other UN offices in line with the UN policy of "Common Premises". All the administrative work for the IMO offices is carried out by the UNDP country offices, which reduces costs and duplication. Further efforts by the UN to reinforce its presence in Africa as part of a concerted system presence strategy would be beneficial to those delivering and receiving services from the UN system organizations.

Recommendation 3

The Secretary-General should direct ECA to conduct, in consultation with the AU/NEPAD and as soon as possible, a review of the efficiency of the clustering arrangement as part of the annual consultations meetings stipulated in recommendation 1 and report back to him before the convening of the next annual consultations in 2006.

34 The feedback received from the IMO Regional Co-ordinators is that cluster arrangements have never worked as well as they were intended. Therefore this recommendation is important. While the UN organizations formed clusters, each individual organization carried out its own mandate and only reported their achievements at the clusters meetings.

35 The system used in the CCA and UNDAF formulation process through UNDP country offices could be considered for adoption. Such a system ensures that organizations undertake activities in unison by pooling their resources. For example, IMO and UNEP have successfully implemented the UNEP Regional Seas Programme with regard to the Nairobi and Abidjan Conventions. This was done through seeking priority activities from the governments of the region and pooling their resources to implement the same under the framework of NEPAD. Likewise, through partnership arrangements with the World Bank and UNIDO, IMO has successfully implemented a project for the benefit of the Western Indian Ocean Island countries in the field of preparedness and response and is now implementing a multidisciplinary project for the benefit of West and Central African countries.

Recommendation 4

The Secretary-General, in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination (CEB), should request the Executive Heads of the United Nations organizations concerned to ensure that only those officials responsible for regional consultations and co-ordination of activities related to NEPAD within their organizations are designated to attend the annual consultations meetings.

36 The IMO Regional Co-ordinator for Eastern and Southern Africa has been acting as the designated focal point for NEPAD activities and meetings. However, during the clusters meetings, some UN Agencies with big operational budgets in Africa give little attention to specialized agencies like IMO and the Regional Co-ordinators have had to push very hard for the inclusion of maritime activity-related programmes.

Recommendation 5

All the Executive Heads of the United Nations organizations concerned should ensure that the conveners of each cluster, in consultation and co-ordination with ECA and their concerned African institutional partners, establish a clear and predictable schedule of meetings for their clusters and sub-clusters and provide a follow-up mechanism for the implementation of the decisions taken.

37 The conveners of cluster meetings should issue a schedule of the meetings well in advance to enable the agencies involved to incorporate the dates in their annual work plans. On some occasions, IMO was not able to send a representative to the meetings due to the short notice given. Furthermore, some organizations belong to more than one cluster and, in most cases, the cluster meetings are held concurrently.

Recommendation 6

The Secretary-General, in his capacity as Chairman of CEB should request the Executive Heads of the United Nations organizations concerned to ensure that each cluster give due focus to its work on a few joint United Nations regional and sub-regional programmes/projects, to be decided in consultation with the AU, NEPAD secretariat and other African institutional partners.

38 IMO's approach in utilizing the Regional Co-ordinators in the representation and participation at cluster meetings is in line with this recommendation. The example of the collaboration with UNEP, as given above, is an example of the regional and sub-regional programme/project approach.

Recommendation 7

The General Assembly and legislative bodies of all the United Nations organizations concerned should substantially increase their support for the clusters' agreed joint programmes/projects. CEB should provide a clear-cut policy directive to ensure consistency and effective implementation of this recommendation.

39 The Organization's Integrated Technical Co-operation Programme (regional programme for Africa) has been aligned with NEPAD priorities and objectives and resources allocation. With regard to resource allocation, IMO has no regular assessed budget for its technical co-operation work and relies on extra-budgetary resources. The Technical Co-operation Fund is the main source of Funding for IMO's capacity-building and technical assistance. In the current 2006 – 2007 biennium, the Africa Region has been allocated US\$2.12 million, representing 35% of regional programme funding.

Recommendation 8

The Secretary-General should take appropriate measures to enhance the human resources capacity within ECA's Office of Policy and Programme Coordination by seeking redeployment of staff from other United Nations agencies and entities in order to enhance ECA's capacity to effectively and efficiently co-ordinate the activities of the United Nations agencies working in Africa as well as to keep in constant touch with the African regional and subregional entities.

Recommendation 9

The Secretary-General should ensure that all meetings convened by the ECA within the framework of clusters arrangement are co-chaired by the representatives from the AU Commission or NEPAD secretariat, and that a mechanism for follow-up and implementation of all the decisions taken in those meetings be established as soon as possible.

Recommendation 10

The General Assembly should request the Secretary-General to report to it no later than its sixty-first session on efforts and specific measures undertaken, including through support of other United Nations system organizations, to strengthen ECA's capacity in co-ordinating the work of those agencies in Africa.

40 The strengthening of the Economic Commission for Africa (ECA) to take on the effective leadership role in the co-ordination of the work of the UN agencies in Africa would require adequate resources. A well resourced ECA will enhance the effective co-ordination of the UN system support to NEPAD.

**2004 ANNUAL REPORT OF THE JOINT INSPECTION UNIT AND PROGRAMME OF WORK FOR 2005
– SUPPLEMENT NO. 34 A/60/34**

41 The Secretary-General has also received a copy of this report, which is attached in annex 5 to this document.

Action requested of the Council

42 The Council is invited to take note of the information contained in this document and to comment as it may deem appropriate.

ANNEX 1

**HARMONIZATION OF THE CONDITIONS OF TRAVEL THROUGHOUT THE
UNITED NATIONS SYSTEM
(JIU/REP/2004/10)**

ANNEX 2

**SOME MEASURES TO IMPROVE OVERALL PERFORMANCE OF THE UNITED
NATIONS SYSTEM AT THE COUNTRY LEVEL (PARTS I AND II)
(JIU/REP/2005/2)**

ANNEX 3

**A COMMON PAYROLL FOR UNITED NATIONS SYSTEM ORGANIZATIONS
(JIU/REP/2005/4)**

ANNEX 4

**FURTHER MEASURES TO STRENGTHEN UNITED NATIONS SUPPORT TO THE
NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT (NEPAD)**

JIU/REP/2005/8

ANNEX 5

**2004 ANNUAL REPORT OF THE JOINT INSPECTION UNIT
AND PROGRAMME OF WORK FOR 2005**

Supplement No. 34 A/60/34
