



## THIRTEENTH ITEM ON THE AGENDA

**Other financial questions****(c) Reports of the Joint Inspection Unit**

1. In accordance with the established procedures, the system-wide reports of the Joint Inspection Unit of the United Nations (JIU) are submitted to the Governing Body when the comments of the United Nations system Chief Executives Board (CEB) for Coordination (formerly the Administrative Committee on Coordination, ACC) on the reports are available. The Office has contributed to the preparation of the following JIU reports:

- (a) “Policies and practices in the use of the services of private management consulting firms in the organizations of the United Nations system” (JIU/REP/1999/7);
- (b) “United Nations system common services at Geneva – Part II: Case studies (ICC – International Computing Centre, JMS – Joint Medical Service, TES – Training and Examination Section, DPS – Diplomatic Pouch Service, JPS – Joint Purchases Service)” (JIU/REP/2000/5);
- (c) “Young professionals in selected organizations of the United Nations system: Recruitment, management and retention” (JIU/REP/2000/7);
- (d) “Strengthening the investigations function in United Nations system organizations” (JIU/REP/2000/9);
- (e) “United Nations system support for science and technology in Latin America and the Caribbean” (JIU/REP/2001/2).

**(a) “Policies and practices in the use of the services of private management consulting firms in the organizations of the United Nations system”**  
(JIU/REP/1999/7 and A/55/979)

2. This is a useful report in so far as it brings together information from the various organizations that replied to the survey and gives a good overall picture. It is hoped that it will encourage coordination and cooperation among the organizations to ensure the optimal and most cost-beneficial use made of private consulting firms.

3. Two points concerning specific observations about ILO procedures in paragraphs 81 to 87 of the JIU report require clarification. Regarding paragraph 82, subject to the rules for competitive bidding being complied with, a programme manager may decide on the use of a consulting firm if the value of the contract is less than US\$70,000. Contrary to what is stated in paragraph 84, the Contract Committee does not make final selection on an offer. Selection is approved by the Treasurer and Financial Comptroller following a recommendation by the Contract Committee.
4. The ILO agrees with the recommendations in general. Comments to each specific recommendation as they would relate to the ILO are as follows.

### ***Recommendation 1: Policy framework***

**The participating organizations should elaborate policies, standards and procedures concerning the utilization of management consulting firms, together with explicit and rational assessment criteria, for submission to their legislative organs. The organizations should, in particular, develop flexible guidelines for subcontracting, feasibility studies, procedures and checklists for the call for bids, methods for evaluating potential consulting firms and procedures for overseeing control and follow-up. The following elements should be reflected in the guidelines:**

- (a) **Alternatives to hiring external management consulting firms should be sufficiently considered, including reliance on appropriate internal specialist bodies, ad hoc task forces, interdepartmental committees, or recourse to appropriate United Nations system entities, such as the International Computing Centre (ICC) and the Information Systems Coordination Committee (ISCC) in the area of information technologies and the United Nations Staff College or the Joint Inspection Unit in broad management areas;**
  - (b) **A prior cost-benefit analysis of the objectives to be attained by the organization, including new expertise to be acquired by its staff, should be drawn up when engaging management consulting firms;**
  - (c) **The need for case-by-case legislative authority for hiring management consulting firms should be ascertained;**
  - (d) **The need for strict terms of reference defining, among other things, the level and range of new skills to be transferred to the organization, should be borne in mind.**
5. The ILO agrees with the JIU that standards, policies and procedures are fundamental, as are assessment criteria and bidding and purchasing procedures and controls. As mentioned in the JIU report, the ILO already uses formal guidelines and bidding procedures in the selection of consulting firms. They take into account the controls promulgated in the Financial Rules and Regulations as approved by the ILO Governing Body, seeking to ensure the effective and efficient use of resources. To the extent possible, and taking account of workload and priorities, ILO managers are required to use in-house expertise, and limit the use of outside assistance to situations where specialization is lacking and there would be a clear comparative advantage. The ILO does not, therefore, consider that there is a further need to submit the existing guidelines and procedures to the legislative organ for approval. Likewise, there is no need for any legislative authority to hire management consulting firms. Such firms should be treated like any other contractor and the use thereof is a management decision for the Office, not the Governing Body.

### **Recommendation 2: Monitoring and control**

The organizations should ensure that they count with adequate internal expertise and means to monitor as closely as possible the performance of management consulting firms, including their transfer of new management skills to the organization at all stages of contract delivery, so as to ensure the creation and preservation of institutional memory.

6. The ILO already implements this recommendation. The ILO's Financial Rules and guidelines on procurement and contracting require a formal receiving report concerning contract performance, which implies monitoring and control of progress up to delivery to the satisfaction of the ILO. Managers are aware of the need for knowledge transfer, for the reasons mentioned by the JIU, and furthermore to avoid dependency on the external consultant.

### **Recommendation 3: Follow-up actions**

The organizations should conduct *ex post facto* evaluations of the performance and extent of implementation of the recommendations of management consulting firms, including, especially, cost-effective benefits and the impact of their work within the organization, and should share with other organizations, as appropriate, the results of such evaluations (also see recommendation 4 below).

7. Evaluation is an ongoing element in our relationships with management consulting firms and manifests itself in contract renewal. Furthermore, prior to settling any account with the management consultant firm, a review is made as to whether or not services have been rendered to the satisfaction of the Office.
8. Quality assurance is an important feature of any large contract, and the ILO agrees in principle with the recommendation of *ex post facto* evaluations of the performance and extent of implementation of the recommendations of management consulting firms, including, especially, the gains and impact on work, performance and reporting. This would, of course, be subject to resource availability.

### **Recommendation 4: Inter-organization cooperation and coordination**

The organizations should reinforce system-wide cooperation and coordination in the use of management consulting firms by, among other things:

- (a) Developing and sharing rosters of cost-effective management consulting firms that possess United Nations system experience and originate in as wide a range of countries as possible;
  - (b) Sharing experience and information on the use of management consulting firms under an appropriate agenda item at meetings of the Administrative Committee on Coordination.
9. Informal contacts between common services provide for the sharing of experiences with different consultants. An effective roster might prove to be a good idea, as would access to guides and lists of specialized firms. It makes sense to share the experience gained from the use of individual consulting firms with other organizations. For information technology consulting – for example, the ICT (information and communications technologies) Network operating through the CEB secretariat – is the most appropriate forum for the

exchange of this type of information. The former CCAQ/FB (Consultative Committee on Administrative Questions/Finance and budget) and CCAQ/PERS (Consultative Committee on Administrative Questions/Personnel and general administrative questions) provided a useful forum for such an exchange of information.

#### ***Recommendation 5: Conflicts of interest***

**The organizations should guard against possible conflicts of interest when awarding contracts to management consulting firms or when hiring former agents or personnel of these firms, especially when they have been involved in the negotiation or execution of specific contracts.**

10. The ILO is aware of such potential conflicts of interest; it is sensitive to this issue and, where appropriate, would take steps to avoid any such conflicts.

#### ***Recommendation 6: Regionally based firms***

**As a cost-saving measure, preference should be given to regionally based firms with the required expertise and qualifications, when available.**

11. The ILO awards all major contracts after a formal bidding process giving equal chances to local and non-local firms. Final selection is based on the cost-benefit factor, as long as experience, specifications and requirements are met.

#### ***Recommendation 7: Rotation policy***

**Without prejudice to recommendation 6 above and to other cost-effective considerations, the organizations should adopt a policy of rotating management consulting firms to ensure that they derive the broadest possible benefits from their relations with such firms.**

12. Rotation is desirable, but it may not always be possible, and it is not usually an evaluation element in the selection process. Due consideration must also be given to the benefit of acquired knowledge and experience gained by a firm from prior work. For large contracts that go to bidding, the best firm would be selected according to the evaluation process. If required to have differing or broader exposure to consulting experience, such requirements are set out in advance in the technical specifications, giving equal chance to all potential bidders.

#### ***Recommendation 8: Language and country of publication of advertisements for international biddings***

**The organizations are urged to advertise for international biddings in as many official languages and in as many countries as possible, with a view to broadening the range of firms from all regions and countries becoming aware of opportunities for contracts with United Nations system organizations and actively participating in such bidding.**

13. The ILO agrees that bidding from as wide a base as possible can only bring benefits. It is neither practical nor cost-effective to advertise in many official languages and various countries for specific services. The ILO obtains satisfactory responses from various firms

around the world through advertising on the United Nations Inter-Agency Procurement Services Office (IAPSO) web pages, in one of the official languages.

**(b) “United Nations system common services at Geneva, Part II: Case studies (ICC, JMS, TES, DPS, JPS)” (JIU/REP/2000/5 and A/55/856)**

14. This is the second in a series of reports prepared by the JIU on the common services of the United Nations system at Geneva. Part I of the report, “Overview of administrative cooperation and coordination” (JIU/REP/98/4) (A/53/787), was discussed by the PFAC in GB.279/PFA/9/2 (November 2000).
15. As a general comment regarding the scope of the report, the ILO is in principle in favour of joint collaboration with the other agencies located in Geneva. However, it must be proved that the proposed centralized common services would be cost-effective and assist the Office in fulfilling its mandate efficiently and effectively.
16. The specific recommendations regarding each individual service reviewed are set out below.

***Recommendation 1: International Computing Centre***

- (a) **In view of the Centre’s increasingly critical mission for IT services for the common system and to strengthen its linkages within that system, ACC should consider developing a closer association between ICC and ISCC, especially since members of ICC’s management committee and those of ISCC are virtually the same IT managers; the two bodies could evolve into two subcommittees of a single ACC committee for information technologies and systems;**
- (b) **In the interest of transparency and continuing service improvements, each representative on the ICC management committee should share with colleagues during committee sessions the reasons (service quality, efficiency, rates, etc.) why their respective organizations (where applicable) prefer not to use ICC services or prefer to source them either internally or commercially. Sharing of such information should become a regular agenda item for committee sessions and the reasons thus regularly provided and compiled should enable the Centre to adjust its operations as may be appropriate and desirable to earn the trust of its collective membership;**
- (c) **The ICC management committee should commission independent technical auditors periodically to conduct comparisons of quality, efficiency and unit costs between the Centre’s services and similar services provided internally by the ICC participating organizations;**
- (d) **The management committee should establish a policy of staff exchanges and loans between the Centre and its member organizations in order, among other things, to relieve staff constraints at the Centre and strengthen synergies and communications between the Centre and the IT services of its member organizations;**
- (e) **ICC member organizations should seriously consider the feasibility and long-term benefits of focusing increasingly on their strategic IT management functions while concomitantly strengthening the pooling within ICC of IT**

**operational staff and functions as well as research for common solutions to new IT challenges;**

- (f) The ICC members who propose to reduce their recourse to its services or who have given notice of their intent to withdraw from the cooperative should review their decisions in the light of legislative directives on common services, including especially the latest United Nations General Assembly resolution 54/255 of 4 May 2000 which, inter alia, encouraged the Secretary-General and ACC to take “concrete steps to enhance common services” and invited the legislative organs of the other organizations to take similar action.**

**17. Regarding the points in this recommendation:**

- (a) The ISCC no longer exists and its IT coordination functions are now being performed in the ICT Network operating through the CEB secretariat. The ILO agrees with the CEB comments that the ICT Network and the ICC should be kept separate. One is operational and the other is a coordinating body, and operational responsibilities are explicitly excluded from the scope of the ICT Network. There is currently sufficient association between the two bodies.
- (b) The ILO agrees that the ICC and all participating organizations should agree to share information.
- (c) The ILO would support the ICC’s undertaking its own independent evaluations in order to evaluate the services it provides against those available on the market. It is correctly stated in the CEB comments on the report that “[e]ach organization performs these comparisons and determines whether it is in its own interest to outsource services to ICC or not ...”. The ILO has already opted not to use ICC services for some of its computing needs, such as for the processing of statistical databases, which the ILO performs on its own better performing, user-friendly and cost-efficient dedicated Unix/Windows platform in the Office. Another example concerns Internet access, for which the ILO has consistently been one of the largest users. Unlike other Internet service providers (ISPs) on the market, ICC charges for all Internet traffic by the gigabyte rather than through a monthly flat rate. With Internet usage steadily increasing at the ILO, its “Internet bill” at ICC has also been steadily increasing; this is in sharp contrast to the trend in the private ISP sector, which has more competition and offers lower prices with non-metered charges. To ensure that the ILO is paying for the most cost-beneficial Internet connectivity services and to switch to a non-metered Internet service, a Request for Proposals (RFP) was issued in October 2001 and the ICC was invited to submit a proposal; a final decision is expected before the end of 2002 and, because of its special status, the ICC is being evaluated differently from and more advantageously than commercial ISPs. At the urging of its Management Committee, ICC agreed to have its Internet services audited by an outside firm. While the audit adequately addressed the technical areas, it did not conduct a proper comparison between ICC and commercial competitors, with the ICC maintaining that its services cannot be compared to commercial providers because of all the added value that it provides. Thus these ICC self-evaluation audits, if properly conducted, would be useful as an assessment for both the ICC and the ILO.
- (d) The ILO would agree to a programme of staff exchanges of officials with equivalent technical skills and experience between ICC and its member organizations, on the understanding that the programme would be voluntary for all concerned.
- (e) Regarding member organizations that propose to reduce their use of services or withdraw from the cooperative, an organization cannot be expected to relinquish its

obligation to follow its own internal financial rules and regulations for increased effectiveness and efficiency in the delivery of its approved work programmes. This obligation must have a higher priority, as it is a directive handed down by the member organizations' own legislative bodies.

- (f) While the ILO is in favour of enhancing common services, it wants also to obtain the best services for its money. Thus, the ICC must keep pace with changes and opportunities in the market in order to remain competitive and thus not lose its "customers", the participating organizations.

### ***Recommendation 2: Joint Medical Service***

- (a) **The possibility should be considered of reorganizing the present JMS structure into four units together with a more appropriate grading of the posts of physicians in the four units, as proposed in paragraph 43 [of document A/55/856];**
  - (b) **JMS needs a more structured management committee similar to that of ICC and including the chiefs of staff insurance schemes and staff representative bodies at Geneva, and necessary measures should be taken to enhance the independence of JMS in relation to the management of its member organizations, and ensure its full and effective oversight by the proposed management committee, with WHO providing only administrative support as may be agreed by the committee;**
  - (c) **The staff insurance policies and rules of JMS member organizations should be harmonized to ensure equality of treatment and entitlements for all staff members in keeping with the spirit and letter of the common system; subsequently, the organizations should aim to create, like the New York based organizations, a single staff insurance programme at the Geneva duty station in order to maximize the benefits of a larger risk pool, centralized IT applications and economies of scale;**
  - (d) **In the context of the decentralization process under way in the United Nations, UNOG should be enabled to have its own Advisory Board on Compensation Claims independent of United Nations Headquarters; the independent medical authority of JMS should be fully recognized;**
  - (e) **The Geneva United Nations system community should develop a bold and long-term vision for JMS as outlined in paragraphs 68-70 [of document A/55/856] in the light of increasing health-care costs to the organizations and staff, and in order to strengthen considerably JMS medical support for the field-based staff of its members. In so doing, lessons should be drawn from the WIPO Medical Unit, which in turn should reintegrate a reformed and strengthened JMS, particularly in light of the aforementioned United Nations General Assembly resolution 54/255 of 4 May 2000.**
- 18.** Overall, the ILO agrees with the points raised by the CEB. As noted in paragraph 8 of the CEB comments, the Joint Medical Service is essentially different from other administrative services. It needs to evolve in the direction of providing modern occupational health services (i.e., the prevention or minimization of adverse health effects caused by work and/or the working environment) and revise its approach so as to reduce the burden of strictly adjudicative functions, particularly medical examinations. Particular JMS priorities at the level of each organization should be developed in consultation with the management and staff of the organization concerned.

19. In this respect, it should be noted that, during 2002, the role, functions, management and operations of JMS have been the subject of review by an inter-agency working group comprising Geneva-based organizations. In carrying out its work, the working group examined the JIU recommendations and the recent World Bank review relating to JMS. The review report was adopted at an inter-agency meeting in August 2002. The report's recommendations include: the establishment of a management committee to oversee and guide the JMS on a regular basis; that JMS should be reoriented so as to provide a series of modern occupational health services at agency level, which reflect agency needs and priorities; clarification of the roles and responsibilities of the central JMS and agency-level JMS units; that the management committee examine further a number of issues in order to streamline the functions and operation of JMS in certain areas (e.g., medical examination requirements; laboratory services); and that the management committee undertake an examination of the staffing and resource implications of the revised JMS arrangements for the current biennium and for 2004-05.

#### A duty-free drugstore or pharmacy on the JMS premises

20. The ILO agrees with the CEB comments that this option may not produce the intended cost-savings.

#### JMS reorganization

##### Alleviating the administrative burden on the service

21. The JIU recommendations to consolidate the present JMS structure into four units and to identify measures to streamline its administrative operation have been noted in the course of the current inter-agency review in Geneva. A number of options are still being considered concerning the organizational structure of JMS, the role and functions it undertakes, the relationship between the central JMS and agency-level JMS units and the day-to-day administrative operation of the Service.

#### Harmonization of health insurance

22. In general, the idea for a joint insurance scheme, as is the case with all common activities, is a good one. However, effecting a change to current arrangements would require agreement on a number of issues, including a decision upon what should happen to the funds of existing schemes and the elements of a new regime to replace the existing diversity within and between schemes. The insured members of each organization should also be involved in deciding upon any proposed changes. The issue should therefore be analysed over the long term.

#### Health insurance to pay for certain JMS services

23. The ILO agrees with the CEB comments on this issue.

### ***Recommendation 3: Training and Examinations Section***

24. As noted by the CEB, this recommendation addresses the Staff Development and Learning Section of the United Nations Office at Geneva, and does not concern the ILO.



#### ***Recommendation 4: Diplomatic Pouch Service***

The measures proposed in paragraphs 107-109 [of document A/55/856] for modernizing the Diplomatic Pouch Service should be considered by the Secretary-General.

25. The recommendations contained in the report concern the Diplomatic Pouch Service at the United Nations Office at Geneva, and are not addressed to the ILO.
26. Until the end of the 1990s, the ILO was one of the principal users of the United Nations Diplomatic Pouch Service. This usage has declined since the last biennium, due to the increased services offered by private international courier services, which offer lower rates and a better quality of service (door-to-door delivery with follow-up on shipments); in addition, they have no limits on size or weight requirements and have guaranteed delivery times and transparent invoicing. At present, the ILO uses the diplomatic pouch in cases where rates are lower than those charged by private delivery services; however, this is becoming less common due to operational charges added by the United Nations. Based on this experience of the last two years, the ILO would recommend that the Geneva-based United Nations agencies should collectively negotiate rates for the diplomatic pouch with the international courier services.

#### ***Recommendation 5: Joint Purchase Service***

**In reviewing JPS statutes, the Management Board should:**

- (a) **Draw lessons and implications from procurement reforms already implemented or under way at United Nations Headquarters and seriously consider apportioning to JPS members centralized procurement responsibilities by product lines;**
  - (b) **Review the present staffing and structure of its secretariat in order to further strengthen its substantive and administrative role in discharging a strengthened JPS mandate or otherwise review its functions in the light of (a) above;**
  - (c) **Ensure that the budget of its secretariat and activities reflects real and all costs to facilitate transparent cost-accounting and cost-allocation processes;**
  - (d) **Establish annually combined purchase value objectives or targets for JPS, including especially annual quotas of IT items and contractual services to be processed through JPS, to ensure that the usefulness of the service can be quantified and verified to exceed its real costs to member organizations;**
  - (e) **Additionally, UNOG, as host to JPS, should henceforth highlight the JPS secretariat as well as other similar common services as distinct inter-agency entities in its organizational charts in order to promote their visibility and importance as common system integrators.**
27. The JIU report noted that the ILO withdrew from the JPS in December 1999 because of “budgetary restrictions”. However, the actual reason was based on a cost-benefit analysis made during a period of ILO budgetary restrictions. This analysis did not demonstrate that the savings would outweigh the costs for active participation. As noted in paragraph 124 of the JIU report, the current service of JPS is “limited by its members to low-value purchases ... and JPS appears only marginally effective and useful as a common endeavour expected to generate economies of scale”. This unfortunately appears to be due to the weaknesses identified by the study and the report draws pertinent lessons from them. The concept of a

Joint Purchase Service for the Geneva-based organizations is good, and the ILO would re-join if the economical benefits from participation were apparent.

28. The ILO welcomes the “complete overhaul” of the JPS as noted by the CEB in paragraph 26 of its comments.

**Recommendation 6: UNOG Divisions of Administration and Conference Services**

29. This recommendation does not concern the ILO.

**(c) “Young professionals in selected organizations of the United Nations system: Recruitment, management and retention”**  
(JIU/REP/2000/7 and A/55/798)

30. The report provides good information as well as a detailed analysis of the framework on recruitment, management and retention of young professionals in selected organizations of the United Nations system. It gives an overall picture of what other United Nations agencies’ practices are in the area of young professionals.
31. Retention of new employees is one of the ILO’s crucial career development challenges over the next few years. Experience has shown that the manner in which an employee enters the Organization (recruitment and selection, induction/orientation, and coaching) has an impact on her/his subsequent career development and perception of the Organization. Therefore, initial assignments are significant for good career development and integration in the work environment. HRD (Department of Human Resources Development) will consider the recommendations arising from the JIU report, in particular, in refining its current approach to the recruitment, management and retention of young professionals. Certain recommendations in the report are also relevant to the Office’s overall recruitment and selection procedures, the ILO’s new Induction/Orientation Programme and addressing the issue of spouse employment in the context of the ILO work-life strategy.
32. The development and implementation of specific programmes for young professionals and the support structures that assist young recruits in their integration require significant investments from the secretariats. Therefore, it is important that interested United Nations organizations identify ways of reducing these costs as well as developing some channels of sharing information among them.
33. The specific recommendations regarding each individual service reviewed are set out below.

**Recommendation 1**

**Secretariats should undertake specific efforts to reduce the age at recruitment for all Professional posts, and for P1 to P3 posts in particular. The United Nations Secretariat may wish, for its part, to review the adequacy of the age limit presently imposed for NCRE (National Competitive Recruitment Examination) candidates (see paragraphs 8 to 13).**

34. The ILO has no official *lower* age limits in its recruitment procedures, but the practice is not to recruit anyone below the age of 20. For young professional career entrants only, the *upper* age level is 32 years old.

### **Recommendation 2**

**Trends on separations of Professional staff in the United Nations system should be more carefully monitored through:**

- (a) **The inclusion by the Consultative Committee on Administrative Questions (Personnel and General Administrative Questions) (CCAQ(PER)) in its "Personnel Statistics" annual publication of data on separations of professional staff broken down by grade and type of separation;**
  - (b) **The design of exit questionnaires, by Secretariats that have not yet instituted them, to better identify causes of resignations. Such questionnaires may be completed or replaced by structured exit interviews (see paragraphs 15 to 18).**
35. The ILO supports these recommendations. It would be interesting to know separation statistics for United Nations agencies overall in order to compare with those of the ILO. Debriefing based on a structured questionnaire is a good system to understand better the professional as well as personal reasons of the separation.

### **Recommendation 3**

**Secretariats of all organizations concerned should speed up recruitment processes by imposing strict deadlines for the review of applications by managers and the placement of candidates (see paragraphs 35 to 37).**

36. Every effort is made to ensure that the ILO maintains efficient and effective recruitment procedures through a fair and transparent process.

### **Recommendation 4**

### **Recommendation 5**

37. These two recommendations concern the United Nations secretariat. The ILO does not participate in the National Competitive Recruitment Examination (NCRE).

### **Recommendation 6**

**Secretariats that have not done so should set up structures to assist with the successful integration of young professionals during their first months through:**

- (a) **Clearly identifying focal points in personnel/human resources services or substantive departments to assist new recruits with all practical problems;**
- (b) **Designing appropriate orientation courses for young professionals. Such courses could be organized jointly with the support of the United Nations Staff College;**
- (c) **Instituting mentoring programmes whereby more senior officers can advise young professionals on substantive and career issues (see paragraphs 47 to 50 and paragraph 52).**

38. The ILO's Human Resources Development (HRD) Department has identified a focal point for young professionals to help them in their integration and career development in the Organization. It is also developing an Induction/Orientation Programme for newcomers, which includes young professionals. In addition, the HRD Department is in the process of developing a pilot mentoring programme for young professional career entrants. This programme was set up at the beginning of 2001.

### ***Recommendation 7***

**Secretariats of organizations concerned should offer the opportunity to junior professional staff members to pursue studies and research in fields of relevance to their work by making them eligible sooner for study leave or by instituting new part-time study schemes (see paragraph 51).**

39. The HRD Department, in collaboration with the ILO's International Training Centre in Turin, is developing a four-year training programme specifically targeted at young professionals.

### ***Recommendation 8***

**Secretariats of organizations concerned should increase opportunities for young professionals to be assigned both at Headquarters and in the field in the course of their first five or six years. The Secretariat of the United Nations, in particular, should further improve career development for young professionals. In due course, it should assess the impact of its Managed Reassignment Programme to ensure that it facilitates mobility not only between departments but also between duty stations and that it contributes to upward as well as lateral mobility (see paragraphs 53 to 57).**

40. The ILO's Young Professionals Career Entrance Programme offers the opportunity of two rotational field assignments as well as two headquarters assignments during the five-year programme. The HRD Department considers these rotational assignments and exposure to different types of posts crucial for young professionals' career development and their integration in the ILO working environment.

### ***Recommendation 9***

**Managers in organizations concerned should devote sufficient time and attention to the development of their junior staff. Appraisal of the way in which they discharge this responsibility should be an integral part of their performance evaluation (see paragraphs 58 and 59).**

41. The HRD Department is taking this important point into consideration. The ILO appraisal report will be reviewed and simplified. In addition, a Personal Development Plan (PDP) is in the final stages of preparation; it is based on each official's assessment of development goals, needs and actions to be taken during a time frame, as well as on defined ILO core and level competencies. New young professionals will participate in this process in the same way as any regular staff member.

### ***Recommendation 10***

**Efforts to facilitate spouse employment should be undertaken as follows:**

- (a) Secretariats in major duty stations should set up joint family-career transition programmes;
- (b) Governing bodies of organizations that still forbid spouse employment should rescind this restriction by amending relevant staff regulations;
- (c) The General Assembly should renew its call to Governments in host countries to consider granting work permits for spouses accompanying staff members, and monitor the implementation of relevant resolutions (see paragraphs 70 to 76).

42. The ILO has no policy forbidding spouse employment. In the context of work-life strategy and contract policy work, the ILO would adopt a policy to foster a supportive work and employment environment for spouse/domestic partnership and employment of close relatives.

**(d) “Strengthening the investigations function in United Nations system organizations”**

(JIU/REP/2000/9 and A/56/282)

43. Although the ILO is not mentioned in the Introduction to the CEB comments as one of the organizations whose inputs were used in developing these comments, the Office did provide its observations and clarifications regarding the JIU report, many of which are repeated in this paper.
44. The ILO would like to comment on a few items included in the JIU report. Regarding the sixth bullet point on confidentiality and reprisals in paragraph 32, not only the staff making allegations but also the investigators employed by the organization should be protected from reprisal or retaliation in the conduct of their functions. The ILO would again emphasize the particular attention needed regarding confidentiality.
45. With regard to paragraph 49 of the JIU report, the ILO would like to point out that it recognizes the need to ensure the adequacy of the investigations capability of the Office of Internal Audit and Oversight (IAO – formerly VERIF). Due to the small size of the section and its responsibilities for a mix of oversight functions, officials are required to have an appropriate mix of audit and investigation experience and capabilities. Although the IAO can initiate investigations on the basis of allegations received or fraud suspected during an audit, investigations can also be initiated and carried out at other administrative levels, for reasons of convenience.
46. The ILO’s Financial Rules on Accountability and Internal Audit were amended in 2001 to expand the role of Internal Audit with regard to cases of fraud, presumption of fraud or attempted fraud, and to provide a broader description of the Internal Audit function. The changes to the Financial Rules now require that cases of fraud, presumption of fraud or attempted fraud must be reported to the Director-General through the Treasurer as well as to the Chief Internal Auditor.
47. Overall, the ILO agrees with the recommendations. Comments on specific items are as follows.

***Recommendation 1: Common standards and procedures***

**The Third Conference of Investigators of United Nations Organizations and Multilateral Financial Institutions in 2001 should make arrangements for developing**

**and adopting a common set of standards and procedures for conducting investigations in United Nations system organizations.**

48. The ILO considers that the relevant standards and procedures should concentrate on “broad lines” to provide flexibility in relation to the varying needs and circumstances of each different organization. The application in the Office of any common standards and procedures would need to take into account the amendments to Chapter XIII of the ILO Staff Regulations.
49. The Working Group of the United Nations system investigators making arrangements to prepare an agreed text of standards and procedures for consideration and approval should also involve representatives from the treasurer’s offices, human resource development departments and legal offices of selected organizations, to the extent feasible. The text should, at least, be cleared by all organization heads, preferably through the Chief Executives Board for Coordination (CEB).

### ***Recommendation 2: Training for managers***

**Executive heads of organizations should ensure that managers involved in investigations have sufficient training in the use of established standards and procedures for conducting investigations.**

50. As one of the organizations that authorizes managers to initiate and carry out investigative functions, the ILO supports the proposal that all United Nation managers, both in the field and at headquarters, be trained in basic investigative techniques.

### ***Recommendation 3: Meeting the need for a professional investigations capability***

**Each executive head should conduct a risk profile of his/her organization as an initial basis for issuing a report to the appropriate legislative organ on the organization’s need for access to professionally trained and experienced investigators. This report should indicate those measures that the executive head would recommend as necessary to meet this need.**

51. Risk profiling is a practice adopted both in IAO and the Financial Services Department in developing programmes of work. Due to the sensitive nature of this profiling, we do not feel it appropriate to issue reports as formal documents. As the ILO has no dedicated investigation unit, when recruiting staff the IAO aims to ensure there is a good combination of audit and investigation skills, supplemented by training, as necessary.

### ***Recommendation 4: Options for financing access of small organizations to a professional investigations capability***

52. This recommendation does not apply to the ILO.

### ***Recommendation 5: Preventive measures based on proactive investigations and lessons learned***

**Executive heads should ensure that work programmes of units responsible for investigations include the development of preventive measures based on proactive investigations and lessons learned from completed investigations.**

53. Procedures are improved as a result of an investigation, and follow-up ensures that the required changes are implemented.

***Recommendation 6: Conferences of United Nations investigators***

**Conferences of Investigators of United Nations Organizations and Multilateral Financial Institutions should continue to develop opportunities, including those external to the system, to foster inter-agency cooperation regarding the investigations function in areas such as those indicated in the report.**

54. The ILO has been an active participant and will continue to be so – with a view to fostering inter-agency cooperation.

**(e) “United Nations system support for science and technology in Latin America and the Caribbean”  
(JIU/REP/2001/2 and A/56/370)**

55. Most of the recommendations contained in this report are addressed to other United Nations programmes or specialized agencies. The ILO was not mentioned in the report, and had no comments to offer to either the JIU or the CEB when the drafts were issued. Nevertheless, the ILO is prepared to cooperate with other agencies in the area of science and technology, where appropriate.

***Recommendation 1: United Nations system joint programme for science and technology for development***

56. This recommendation is addressed to the United Nations Commission on Science and Technology for Development and not the ILO.

***Recommendation 2: Capacity-building in information technology (IT)***

- (a) **ECLAC should further expand its use of information technology as a cross-sectoral and cross-programme tool in order to enhance programmatic coordination and internal work-process efficiencies, and to assist its member countries more effectively in the implementation of the Declaration of Florianopolis (Brazil) of 21 June 2000.**
- (b) **The United Nations Development Group and specialized agencies should study IDB’s policy and operational approaches to IT capacity-building in Latin America and the Caribbean, in order to derive lessons that could be applied in other developing regions.**
57. This recommendation rightly advocates the expanded use of information technology (IT) to enhance programme efficiencies. Deriving lessons from IDB’s (Inter-American Development Bank) IT experiences for potential application in other developing regions is also laudable. While the question of adequate IT training may be implied in the text, the ILO would nevertheless explicitly mention it, to ensure that it is not overlooked.

### **Recommendation 3: Latin American Economic System (SELA)**

Pursuant to several General Assembly resolutions, in particular resolution A/RES/54/8 of 18 November 1999, United Nations system organizations active in Latin America and the Caribbean should intensify their cooperation with SELA's science and technology initiatives, especially in TCDC [technical cooperation among developing countries].

58. Notwithstanding that the ILO has undertaken some activities with SELA, no science and technology initiatives have been discussed with the Organization.

### **Recommendation 4: Science and technology networks**

United Nations system organizations should assess the viability, benefits and experiences of the numerous science and technology networks in Latin America and the Caribbean, in order to identify possible areas for strengthening South-South cooperation, and for extending lessons learnt to other developing regions in line with the Declaration of the Group of 77 and China 2000 South Summit. Particular emphasis should be placed on linking the research programmes in universities and other tertiary institutions to the priority economic and social needs of the population, and the best research programmes should be encouraged with funding from the public and private sectors.

59. The ILO, through its annual publication *Labour Overview*, provides to constituents, universities and other institutions information on labour market developments and trends. Through this publication it has also been possible to establish links with institutions involved in the major economic and social issues of countries in the region.

### **Recommendation 5: UNCTAD-supported science, technology and innovation policy reviews (STIP)**

60. This recommendation is addressed to UNCTAD and does not concern the ILO.

### **Recommendation 6: Environmental information exchange network (UnepNet)**

61. This recommendation only concerns the United Nations Environment Programme.

### **Recommendation 7: Biotechnology in Latin America and the Caribbean**

62. As the ILO is not involved in biotechnology, this recommendation is not applicable.

### **Recommendation 8: Caribbean Food and Nutrition Institute**

63. This recommendation is addressed to the Caribbean Food and Nutrition Institute, the World Health Organization and the Pan-American Health Organization.
64. Copies of the JIU reports and the ACC comments are available for consultation.

Geneva, 15 September 2002.