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Programme, Financial and Administrative Section
Audit and Oversight Segment

PFA

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FIFTH ITEM ON THE AGENDA

Matters relating to the Joint Inspection Unit (JIU): Reports of the JIU

Purpose of the document

This document summarizes the JIU's annual report for 2013, its programme of work for 2014 and six reports published in 2012 and 2013 on the following United Nations (UN) system-wide issues: staff recruitment; individual consultancies; enterprise resource planning systems; lump-sum payments in lieu of entitlements; staff-management relations; and long-term agreements in procurement. The Governing Body is invited to provide guidance on the information contained in this document and on any of the recommendations addressed to the ILO in those six JIU reports (see the proposed point for discussion in paragraph 24).

Relevant strategic objective: Governance, support and management.

Policy implications: Subject to guidance from the Governing Body.

Legal implications: Subject to guidance from the Governing Body.

Financial implications: None.

Decision required: Subject to guidance from the Governing Body.

Follow-up action required: Subject to guidance from the Governing Body.

Author unit: Strategic Programming and Management Department (PROGRAM).

Related documents: This document is submitted annually, in accordance with the procedure established in GB.294/PV, paragraph 210. Reference document GB.322/PFA/5/REF.

Report of the JIU for 2013 and programme of work for 2014

1. The report ¹ provides information on, among other things, JIU reports and notes issued in 2013; system-wide evaluations for operational activities for development; and follow-up to recommendations by the participating agencies. It also presents the list of reviews planned for 2014, including on six issues that concern the ILO and other UN system organizations, namely: the safety and security of UN personnel and premises worldwide; results-based management; the comprehensive analysis of activities and resources dedicated to climate change; the implementation of initiative for full and productive employment and decent work for all; public information policies and practices; and contract management and administration.
2. Annex III of the report indicates that the ILO's share of the JIU costs for 2014–15 represents 2 per cent of the total contributions of all participating organizations. This share amounts to US\$141,292 for 2014. Further to a request addressed by the Chair of the JIU to the Director-General, the ILO agreed to make a contribution of \$80,000 to the review of the system-wide implementation of full and productive employment and decent work for all.
3. The UN General Assembly considered the report at its 68th Session and adopted resolution 68/266 in April 2014, in which it requests the heads of participating organizations to make full use of the JIU's web-based system for tracking its recommendations and to provide an in-depth analysis of how the recommendations are being implemented. The ILO regularly updates its status regarding follow-up to the JIU's recommendations through the web application and is therefore compliant with the UN General Assembly resolution.

Other JIU reports

4. In accordance with the established procedure, the Office submits to the Governing Body annually a summary of the JIU reports containing recommendations addressed to UN system organizations, along with a summary of the comments of the UN System Chief Executives Board for Coordination (CEB) and comments by the Office. A summary of six such reports is being presented to the current session, as set out in paragraphs 6–23 below. The full reports are available on the JIU website. ²
5. Information on the ILO's follow-up status for each JIU recommendation is presented in a separate reference document, available on the Governing Body website, ³ following the established practice. This reference document has been prepared using the web-based JIU recommendation follow-up system.

¹ UN: *Report of the Joint Inspection Unit for 2013 and programme of work for 2014*, Official Records of the General Assembly, Supplement No. 34, General Assembly, 68th Session, New York, April 2014 (A/68/34).

² <https://www.unjiu.org/en/reports-notes/Pages/reports.aspx>.

³ GB.322/PFA/5/REF (in English language only) at: <http://www.ilo.org/gb/GBSessions/GB322/lang--en/index.htm>.

Staff recruitment in United Nations system organizations: A comparative analysis and benchmarking framework
(JIU/REP/2012/4 and A/67/888/Add.1)

6. The report includes three recommendations for ILO action, concerning benchmarks for the hiring of external candidates to fixed-term positions, reporting to the legislative or governing bodies and the 30-day posting time for vacancies. All have been accepted and are being implemented.
7. Agencies of the UN system, as members of the CEB, welcomed the report and valued the consolidation of current practices within organizations of the UN system, which would assist them in continuing to improve recruitment and staffing operations. They agreed with the overall need to harmonize business practices in recruitment across the system. However, they noted that, in implementing the recommendation, some benchmarks would need to be adapted in accordance with the size and nature of the mandates of the organizations.
8. The Office concurs with the CEB's comments. The Office's rules and practices are already substantially aligned with the principles and practices suggested in the report.

Review of individual consultancies in the United Nations system
(JIU/REP/2012/5 and A/68/67/Add.1)

9. Twelve recommendations are addressed to the ILO, among other organizations. Six of them have been accepted and are being implemented or are in progress, while three have not been accepted and another one is considered not relevant. Two recommendations, which request the Director-General to exercise oversight over the use of consultants through regular reviews of analytical information and to develop and enforce policy on the use of retirees as consultants, are under consideration. The four recommendations that are either not accepted or considered not applicable to the ILO, for various reasons, concern: the duration of contracts; the development of a social benefits policy; the provision of dispute settlement mechanisms; geographic and gender balance in consultancy policies; and remuneration.
10. The CEB members welcomed the report, which offers critical insights into the use of consultants, along with the possible risks associated with this type of contractual modality. However, they expressed concern about several aspects, such as the lack of a stronger focus on the feasibility of implementing some of the recommendations and the lack of clarity or some inaccuracies in the reference to international labour standards.
11. The Office concurs with the CEB's comments.

Review of enterprise resource planning (ERP) systems in United Nations organizations
(JIU/REP/2012/8 and A/68/344/Add.1)

12. The report includes three recommendations for ILO action. They concern adequate training of staff members in ERP and business operations, the monitoring and oversight of ERP projects and the establishment of monitoring and reporting mechanisms for ERP projects. All of them have been accepted and are being implemented.

13. The CEB members welcomed the report and appreciated the useful comparative information that it contains. They generally accepted the recommendations contained in the report and the underlying analysis. However, they noted that simply providing training might not achieve an organization's primary goal of ensuring the effective use of ERP. Staff members must be held accountable and responsible for ensuring successful usage of the system, which training could support. With regard to monitoring and reporting mechanisms, the CEB members supported the recommendation and noted that those mechanisms should form part of the regular governance and should follow best practices and industry standards.
14. The Office concurs with the CEB's comments and will continue to make progress in this area under the guidance of the Governing Body.

Lump-sum payments in lieu of entitlements (JIU/REP/2012/9 and A/68/373/Add.1)

15. Four recommendations for ILO action are included in the report. Two of them, related to the suspension of the payment of an additional daily subsistence allowance and compliance with the daily subsistence allowance rates set by the International Civil Service Commission, have been accepted and implemented, while one is under consideration and one – about adopting a lump-sum amount to cover all travel-related expenses – has not been accepted, as it would not prove cost-effective without further analysis of the benefits and efficiency gains envisioned.
16. The CEB members, while welcoming the report in general, expressed some concerns about the basis of the review. They suggested that, instead of examining and revising lump-sum usage in a few selected areas, as is the case in the report, the JIU might consider approaching the issue more holistically, taking into account the overall review of the compensation package that is being carried out by the International Civil Service Commission.
17. The Office concurs with the CEB's comments.

Staff-management relations in the United Nations specialized agencies and common system (JIU/REP/2012/10 and note from the CEB dated 20 December 2013)

18. Nine recommendations for ILO action are included in the report, of which six have been accepted and are being implemented. They concern: facilitating access to means of communication and codifying non-censorship clauses in staff regulations; protecting staff representatives against discriminatory or prejudicial treatment; establishing staff-management bodies dedicated to staff-management relations issues; reporting on human resources issues and challenges faced by staff in the field; staff surveys; and codifying in regulations the right of staff representative bodies to address governing bodies. The recommendations on the reporting of non-staff contractual arrangements, the funding of training activities on staff-management issues and the financing of the representational functions of staff federations are not acceptable to the ILO.
19. The CEB members welcomed the report, which brings a comparative perspective to the topic of staff-management relations, and supported the recommendations in general. However, they noted that the report would have benefited from more in-depth analysis. With regard to the recommendation on the reporting of non-staff contractual arrangements,

they noted that this aspect appears to be unrelated to the terms of reference of the report and overlaps with a separate JIU report on a related topic. Concerning the recommendations on the funding of training activities and the financing of the representational functions of staff federations, they stressed that training costs and all costs associated with the representational function of officials of staff federations and associations should be borne by the staff unions.

20. The Office concurs with the CEB's comments. It continues to pursue the principle of social dialogue between the administration and the staff through their representatives, in addressing issues of concern and interest and in implementing the JIU recommendations.

Review of long-term agreements in procurement in the United Nations system

(JIU/REP/2013/1 and A/69/73/Add.1)

21. The report includes five recommendations for ILO action. Three of them have been accepted, while two others are under consideration. The recommendations that are under consideration are those that call on the executive heads of participating organizations to ensure that a range of detailed contract management plans and tools are in place for long-term agreements and on the governing bodies to exercise an oversight role on the procurement function and procurement activities.
22. The CEB members welcomed the review and generally supported the implementation of the recommendations included in the report.
23. The Office concurs with the CEB's comments.

Proposed point for discussion

24. The Governing Body is invited to provide guidance on the information contained in this document and on any of the recommendations addressed to the ILO in the six JIU reports as summarized above.