

**COMMON SERVICES AT THE LOCATIONS OF  
UNITED NATIONS REGIONAL COMMISSIONS**

*Prepared by*

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Istvan Posta***

**Joint Inspection Unit**

**Geneva 2008**



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## EXECUTIVE SUMMARY

### Common services at the locations of United Nations Regional Commissions JIU/NOTE/2008/2

#### Objectives

In the context of United Nations reforms, there has been renewed interest in common services to improve coordination and coherence of representative offices of United Nations agencies at the national and regional levels and achieve cost savings. Against this background, on a suggestion from the United Nations Secretariat, the Inspectors reviewed the common services among all United Nations system organizations represented at the locations of United Nations Regional Commissions with the objective of assessing progress and identifying obstacles to further expansion. The review encompasses all representative offices of United Nations agencies, each of them considered as current or potential provider and clients. Such a “multilateral” approach was considered more promising and more aligned to the current system-wide coherence efforts, in particular at the country level.

The following duty stations are considered: Addis Ababa (Ethiopia); Bangkok (Thailand); Beirut (Lebanon); and Santiago de Chile (Chile). Recognizing the variety of geographic, economic, social and political conditions as well as the difference in representative offices of United Nations agencies at each duty station, the Inspectors do not intend to compare the efforts made, but rather to identify the pros and cons for common services and to facilitate further analysis. Geneva (Switzerland) had been addressed upon in previous reports.

#### Main findings and conclusions

##### One common governance (Recommendations 1 to 4)

At the locations reviewed, for running common services, the Inspectors recommend the principle of one common governance structure consisting of the following two levels: the group composed of the head of the Regional Commission and the heads of all other represented organizations of the United Nations system and one common governance committee overseeing the management of all common services among representative offices of United Nations agencies. While the governance model concurs with the work of the United Nations Development Group (UNDG), the Inspectors consider that existing guidance and tools provided have not yet been fully exploited at all duty stations reviewed. The Inspectors consider that its advantages are both strategic and practical: strategically, it aims to improve ownership and common vision; practically, it is a way of increasing continuity in the participation of decision-making meetings.

In the context studied, an important aspect is the full participation of the Regional Commission in inter-agency dynamics. As a de facto principal resource provider of expertise, administrative and financial potential, the Regional Commission plays a major role, including in governance-related modalities. The Inspectors insist on the importance of taking full advantage of the Regional Commission’s comparative advantages where it is well established or relevant but widening the opportunities for common interest also falls with its responsibility and sphere of interest. The Inspectors are also conscious that the concrete modalities and responsibilities for running the services may differ in the four locations in the light of the type of services being provided, as well as the capacity of the individual organizations to provide them.

In view of the very positive experiment observed in Bangkok, the Inspectors consider the existence of a dedicated function of a Coordinator of Common Services as an example of best practice and a crucial catalytic factor to ensure successful implementation.

### **Common premises versus common concerns**

As noted in previous JIU reports, sharing premises implies sharing a number of services logically linked to building occupation or maintenance. At three of the duty stations considered, the Regional Commission is hosting various other representative offices of United Nations agencies and is the provider for various services according to a Memorandum of Understanding.

While acknowledging the corresponding benefits, the Inspectors encourage managers to think beyond services deriving from common premises to look into those services based on common requirements, needs and concerns. Instead of stressing differences, inter-agency efforts should seek to capitalize on common concerns and interests. By doing so, United Nations agencies would contribute to reinforcing the image of coherence of the United Nations system. The specific constraints of the situation in Beirut make it even more crucial (recommendation 5).

### **Ownership, monitoring and evaluation (Recommendations 6 to 9)**

The sense of ownership of participating organizations and individuals is key to success. "Multilateral" governance ensures every representative office a certain level of influence in the management and on the concrete results attained. Therefore, the participation of all providers or contracting out authorities should be ensured, as well as of a representative of each client organization. The Inspectors recommend that the High-level Committee of Management should identify a series of basic principles for cost accounting and cost sharing for various types of services that would ease local arrangements by providing fair-cost arrangements and avoiding any subsidization of either the provider or the clients.

The Inspectors also recommend ensuring a continuous "provider-client" relationship and objective quality control mechanisms. In that spirit, the review aims to reinforce the monitoring and evaluation functions that have to be conducted independently from the management of services concerned.

### **A strategic moment**

Several harmonization exercises are underway in the United Nations system that will, when completed, facilitate the development of common services in every country, including in the locations of Regional Commissions. In particular, the multidimensional Plan of Action for the Harmonization of Business Practices endorsed in 2008 by the United Nations System Chief Executives Board for Coordination and the drafting of a set of common financial regulations, rules and procedures for the United Nations and the Funds and Programmes will remedy an obstacle to common responses to common needs perceived as serious. The Inspectors consider the present circumstances as a strategic moment, with at stake the image of a united and coherent United Nations system.

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## ABBREVIATIONS

CEB	United Nations System Chief Executives Board for Coordination
CS	Common services
CSGP	Common Services Global Programme
DO	Designated Official for security issues
DSS	Department of Safety and Security
ECA	United Nations Economic Commission for Africa
ECE	United Nations Economic Commission for Europe
ECLAC	United Nations Economic Commission for Latin America and the Caribbean
ESCAP	United Nations Economic and Social Commission for Asia and the Pacific
ESCWA	United Nations Economic and Social Commission for Western Asia
FAO	Food and Agriculture Organization of the United Nations
HLCM	High-level Committee on Management
HOA	Heads of Agencies (represented locally)
ICAO	International Civil Aviation Organization
ICT	Information and communication technology
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IMF	International Monetary Fund
IMO	International Maritime Organization
IT	Information technology
ITU	International Telecommunication Union
JIU	Joint Inspection Unit
MOU	Memorandum of understanding
NGO	Non-governmental organization
OCHA	Office for the Coordination of Humanitarian Affairs
OHCHR	Office of the United Nations High Commissioner for Human Rights
OMG	Operations Management Group
OMT	Operations Management Team
SLA	Service Level Agreement
SSS	Security and Safety Services
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCC	United Nations Conference Centre
UNCT	United Nations Country Team
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNGA	United Nations General Assembly
UNHCC	United Nations Health Care Centre
UN-HABITAT	United Nations Human Settlements Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNMEE	United Nations Mission in Ethiopia and Eritrea
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office for Project Services
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UPL	Universal Price List
UPU	Universal Postal Union
USG	Under-Secretary-General
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization



## I. INTRODUCTION

### A. Scope, objectives and methodology

1. As part of its programme of work for 2007, the Joint Inspection Unit (JIU) conducted a review of common services (CS) at the locations of United Nations Regional Commissions, as suggested by the United Nations Secretariat.
2. The scope of the review is to study CS based on existing and possible coordination and collaboration among all United Nations system organizations located at these specific duty stations, not limiting the analysis to the services provided by the Regional Commissions themselves. Such a “multilateral” approach was considered more promising and more aligned with current system-wide coherence efforts at the country level.
3. The potential efficiency gains of CS for the United Nations system have been a matter of interest to the JIU for many years.<sup>1</sup> The Unit also surveyed common premises and services in the field.<sup>2</sup> In 2008, JIU also studied Nairobi.<sup>3</sup> The shared objective of these reviews is to provide impetus for the development of CS and a rational framework for their management in order to scale down overhead structures and costs and allow more efficient and effective programme delivery. To ensure continuity in the analysis, relevant findings and recommendations of these reports are reminded as appropriate.
4. The review covers the following duty stations: Addis Ababa (Ethiopia); Bangkok (Thailand); Beirut (Lebanon); and Santiago de Chile (Chile). While hosting the United Nations Economic Commission for Europe, Geneva (Switzerland) is not included in the study since the JIU reports on CS in Geneva, concerning mostly organizations headquarters, remain largely valid.
5. On the basis of facts concisely described in their respective dynamics and appearing in chapter III, the Inspectors recommend in chapter II of this report a model of common governance for present and future expected common services. The Inspectors review the services at each locality and focus on identifying areas for improvement in their management and delivery, also examining their scope for expansion, as well as the creation of new services. Finally (chapter IV), the Inspectors draw attention on elements of importance when launching CS initiatives, with a view to facilitating them, identifying obstacles, encouraging emulation and best practices.
6. In accordance with the internal standards and guidelines of JIU and its internal working procedures, the methodology followed in preparing this note included a preliminary desk review and in-depth analysis. Detailed questionnaires were sent in each location concerned to (current and potential) service providers and clients from a wide range of organizations. The Inspectors sought the views of officials of locally represented organizations and of other relevant stakeholders, such as the respective Staff Council representatives and at the general level of the secretariats from the United Nations Development Group (UNDG) and the United Nations System Chief Executives Board for Coordination (CEB). Comments from the organizations concerned, in particular on the recommendations, have been sought and taken into account in finalizing the note.

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<sup>1</sup> See JIU/REP/84/10 (Vienna), JIU/REP/96/5 (New York), JIU/REP/98/4 and JIU/REP/2000/5 (Geneva), JIU/REP/2002/12 and JIU/REP/2005/9 (Vienna).

<sup>2</sup> JIU/REP/94/8.

<sup>3</sup> JIU/NOTE/2008/1.

7. In accordance with article 11.2 of the JIU statute, this note has been finalized after consultation among the Inspectors so as to test its conclusions and recommendations against the collective wisdom of the Unit.

8. To facilitate the handling of the note, the acceptance and implementation of its recommendations and the monitoring thereof, annex III contains a table indicating whether the note is submitted to the organizations concerned for action or for information. The table identifies those recommendations relevant for each organization, specifying whether they require a decision by the organization's legislative or governing body or can be acted upon by the organization's executive head. Some of the recommendations are of an inter-agency nature and, since they would require a system-wide acceptance, are addressed to the executive heads in the hope that the comments on them will be channelled through the CEB as the common forum for United Nations System coordination and harmonization.

9. The Inspectors wish to express their appreciation to all who assisted them in the preparation of this note, and particularly to those who participated in the interviews and so willingly shared their knowledge and expertise.

### **B. Policy context**

10. Identified as a potential source for enhanced effectiveness and efficiency since the relationship agreements between the United Nations and the specialized agencies by the inclusion of a standard article on administrative and technical services,<sup>4</sup> CS were called for in several United Nations General Assembly (UNGA) resolutions.<sup>5</sup>

11. In his 1997 report "Renewing the United Nations: a programme for reform",<sup>6</sup> the Secretary-General established the strengthening of CS as one of his reform strategies. His subsequent report states: "it is expected that common services approaches will be promoted at as many locations as are practicable including not only New York, Vienna, Geneva and Copenhagen *but also the Regional Commissions and country-level offices*".<sup>7</sup> These approaches were in particular embedded in the 2004 and 2008 General Assembly resolutions on "Triennial comprehensive policy review of operational activities for development of the United Nations system" (TCPR).<sup>8</sup> In the same spirit, in 2006, the High-level Panel on United Nations System-wide Coherence stressed the need for the United Nations system organizations to move into the direction of "delivering as one" in the areas of development, humanitarian assistance and environment programmes, while at the same time *stressing that agencies are still duplicating administrative support efforts*.

### **C. A challenging complexity**

12. In addition to United Nations Regional Commissions "headquarters", the review considers, in four specific cities, the representative offices of a variety of United Nations specialized agencies or funds and programmes with regional, subregional or country-level responsibilities. The review focuses on their presence at the duty stations themselves and not beyond. This excludes their operational activities throughout the countries, or their respective political function that could indirectly benefit from CS. It is not considering organizations that are not part of the United Nations system. In any given location, the same representation may

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<sup>4</sup> Agreements between the United Nations and the specialized agencies, ST/SG/1.

<sup>5</sup> See General Assembly resolutions 42/196 para. 24, 59/250, para. 36 and 62/208, para. 120.

<sup>6</sup> A/51/950, paras 242-243.

<sup>7</sup> A/55/461, Annex, para. 15.

<sup>8</sup> See note 4, resolutions 59/250 and 62/208.

be a provider for some services and a “client” for others. All staff is also a virtual client of common social services as kindergarten or cafeteria or medical insurance.

13. Under the UNDG Operational Guidelines for their implementation, the term “common services” is used to describe the implementation of common administrative functions amongst United Nations system organizations.<sup>9</sup> It encompasses different types of activities, such as administrative and financial services, commercial services (e.g. choice of a common bank, a catering company or a travel agency, etc.), services linked with the common premises such as utilities, cleaning and maintenance but also fundamental aspects as provision of security and safety or health care.

14. Recognizing the variety of geographic, economic, social and political conditions in which United Nations entities operate, as well as the difference in organizations presence, the Inspectors do not intend to compare the respective efforts made toward CS, nor measure the respective concrete results achieved in each different duty station. It should be clear that most of the proposals made here by the Inspectors are ultimately of the collective responsibility of the community of United Nations system organizations at the four duty stations considered, including their financial dimension.

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<sup>9</sup> See definition in the UNDG’s Operational Guidelines for the Implementation of Common Services, 2004. Available at: <http://www.undg.org/index.cfm?P=202>

## II. COMMON SERVICES: COMMON GOVERNANCE

15. In 2001, UNDG launched a Common Services Global Programme (CSGP) that provided active support to United Nations Country Teams (UNCT) in order to assist them in identifying, developing, implementing and managing CS. It prepared a set of “Operational Guidelines”<sup>10</sup> as a practical tool to develop CS. In 2004, these guidelines were revised and the programme was expanded, and CS thereafter became part of the coordinating activity of the Resident Coordinator. A series of workshops held between 2002 and 2006, contributed to awareness of the UNDG model and to the dissemination of tools for developing and implementing CS at the country level (including templates for Memorandum of Understanding (MOU) for various purposes). There the benefits of CS are considered to be: money savings, enhancement of image of coherence and a chance, for the same costs, to do more together than individually. Two countries (Thailand and Chile) benefited from such workshops, and an additional one took place in Ethiopia in October 2008. Still, the Inspectors consider that existing guidance and tools provided in the course of the CSGP have not yet been fully exploited at the four duty stations reviewed.

16. At each of the duty stations under review, the United Nations Regional Commission as manager of the main premises and given the size of its secretariat is in a position to be a major service provider for other organizations, in particular for the category of services logically linked to the premises when they are shared. This characteristic implies a major role in the governance modalities recommended in this note.

17. At the country level, the United Nations Development Programme (UNDP) is traditionally a large provider to United Nations system organizations for three types of services: common/shared services (mostly related to common premises); standardized services regulated through corporate MOU with agencies and charged on a transaction fee basis under its Universal Price List (UPL); and local ad hoc services agreed individually between UNDP and each agency and charged based on the True Hourly Cost methodology.<sup>11</sup> The principle is based on the full recoverability of costs of all services provided. Exceptions to this practice, e.g. gratuity of services, are now tending to disappear.

### **De facto unequal partners**

18. The personnel and administrative resources available to the United Nations Regional Commission, when compared with those of other representatives offices of United Nations agencies, gives rise to the question of whether or not the CS model that was considered valid and disseminated in dozens of other developing countries remains pertinent when a United Nations Regional Commission is among the entities concerned. One of the difficulties is that, CS governance is placed under the aegis of the United Nations Resident Coordinator, a manager paid by UNDP and usually ranked at the D level, while the main service provider (the secretariat of the Regional Commission) is headed by an Executive Secretary ranked at the Under-Secretary-General (USG) level because of its political regional responsibilities. Possible issues of etiquette should be solved simply and amicably. The alternative would be the creation of a dispensatory special system of governance for CS for only four duty stations among developing countries.

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<sup>10</sup> See note 9.

<sup>11</sup> See UNDP policy on cost recovery from United Nations Agencies for services at the programme country level. The Universal Price List (UPL) is a menu of standardized services available in all UNDP country offices that guides the cost recovery of services provided to United Nations agencies at the local level. Based on individual costing studies prepared in each country, the prices for services are determined by averaging the cost of all countries within one of the four country groups.

19. The important aspect is the full participation of the Regional Commission in the inter-agency dynamics. The Regional Commissions concerned by the review are part of a United Nations Country Team (UNCT), with the (formal) exception of ESCAP. Concerning CS, a proactive attitude, based on its comparative advantage for many services, may go along with a mutually respectful participation in a common governance mechanism established among all locally represented organizations.

### **One common governance**

20. The Inspectors consider that an essential aspect for jointly conceiving and running services at duty stations where a United Nations Regional Commission is located is to have an adequate, efficient and coherent governance framework, accepted and shared by *all* United Nations system organizations at the place. The fact that the institutional map brings together organizations of different mandates and focuses, implying different resources and needs, reinforces the importance of such common governance.

21. As described in chapter III, the review disclosed that governance establishment varies from one duty station to another, from multiple “management” committees to a unique umbrella body, and from regular to sporadic meetings. At each duty station, the Inspectors support the principle of a “one common governance structure” consisting of the following two levels: the group composed of the head of the Regional Commission and the heads of all other represented organizations of the United Nations system (normally UNCT or Heads of Agency meeting); and a “one common governance committee” at the level of administrative officials (referred by UNDG as Operations Management Team, OMT) overseeing the management of all CS among United Nations organizations (see annex I). The governance framework developed by UNDG provides guidance for such an inter-organizational mechanism.<sup>12</sup>

22. However, the Inspectors insist that the governance of CS should strengthen the sense of common ownership and responsibility. This is an absolute prerequisite in order to obtain high quality CS and meet the expectations of client organizations by providing them with the possibility to participate in related decisions, including on quality control and cost sharing. Therefore, it is the Inspectors’ view that the concrete model of operational management and responsibility for running the services may differ in the four locations taking into account the type of services provided as well as the share of the individual organizations in providing these services.

23. For the duty stations studied, the advantages of having one “multilateral” governance reporting to the heads of local agencies are twofold. Strategically, it aims to improve all agencies ownership and common vision of CS, including the establishment of a collective medium and long-term plan for CS. Practically, it is a way of increasing the continuity of interest and participation of senior managers in decision-making meetings. Confronted to constant prioritization, they will more likely attend a strategic regular meeting rather than sporadic and diverse specialized gatherings of a highly technical nature. The level of empowerment and the consistency of participation in these bodies were stressed by a number of interviewees, as being of crucial importance. Indeed, the high degree of turnover within each local entity of the United Nations system has a negative effect on the decision-making process.

24. The Inspectors believe that such modalities, bringing the responsibilities under the governance of a unique “multilateral” body would fully benefit from the comparative

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<sup>12</sup> UNDG, op. cit., page 3.

advantages of the Regional Commission where it is well established or relevant but also opens the opportunity for collective approach of issue of common interest. It would also give a chance for all representatives at the duty station to deal with CS issues, regardless of whether or not they are directly concerned by all services.

25. Guided by pragmatism, the Inspectors consider that the specific comparative advantage of the respective United Nations system organizations should be fully embedded in local arrangements. In this context, the Regional Commission is de facto a main provider in terms of expertise, administrative and financial potential, etc., or a main client, or both. However, adopting this approach as a responsibility of the United Nations system will require further changes in the attitude of the respective headquarters organizations, and in particular their Budget and Legal Affairs services, and greater pragmatism and flexibility when considering the changes proposed by those local arrangements. This would impact, in particular, on the acceptance of minor changes in the drafting of the strategic framework and the budget requirements, as well as concrete measures to allow local financial incentives, but above all in the interpretation of the financial regulations and rules through agency practices.

The implementation of the following two recommendations is expected to enhance coordination and cooperation among representative offices of United Nations agencies at the duty stations considered, as the result of a shared political willingness among the executive heads.

#### **Recommendation 1**

**By the end of 2009, the Secretary-General, in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination, should invite the executive heads of United Nations system organizations to instruct their representatives at the four duty stations considered, in order to confirm or create a common governance structure for common services consisting of the following two groups: one at the level of heads of local representative offices of United Nations agencies, and one at the level of administrative officials (as common governance committee).**

#### **Recommendation 2**

**By the end of 2009, the Secretary-General, in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination, should invite the executive heads of all United Nations system organizations to instruct their representatives at the four duty stations considered, in order to ensure that the common governance committee overseeing common services be composed of officials responsible for providing or contracting out services, and at least one member of each entity as services user, thus securing common ownership and shared participation of all parties.**

## Common premises and common services

26. As noted in previous JIU reports, co-location is an important factor for some CS: sharing premises implies sharing a number of services logically linked to building occupation. As detailed in chapter III, at three of the duty stations under review – the exception being Santiago de Chile. The Regional Commission, when hosting various organizations, is the provider for these services normally governed by a Lease Agreement or MOU. By this agreement, the Regional Commission is responsible for allocation and management of space and for maintenance, repairs and renovation activities.

**Table 1: Common premises**

	<b>Addis Ababa</b>	<b>Bangkok</b>	<b>Beirut</b>	<b>Santiago de Chile</b>
Number of organizations	ECA + 20	ESCAP + 15	ESCWA + 2	ECLAC alone
Occupancy rate	100 per cent (New Office Facilities Project pending)	100 per cent	100 per cent*	100 per cent
MOU	Yes	Yes	Yes	Not applicable
Specific management committee	Yes ECA + 3 biggest tenants	No (OMT)	Yes ESCWA + maximum 3 tenants on a rotational basis	Not applicable
Meetings of management committee	Only when problems occur	Not applicable	None since 2005	Not applicable
Performance indicators recorded in MOU	No	No	No	Not applicable

\* Source ESCWA, June 2008.

27. The Inspectors noted with satisfaction the compliance with General Assembly request to optimize the utilization of premises other than conference centers, and to ensure that outside entities occupying space on premises are charged a “rent based on current commercial rates”.<sup>13</sup> Market surveys are conducted to align the basic rent with local situations. The total average cost charged by the Regional Commission is usually higher because it includes a portion of supporting staff wages, costs of utilities and consumable as well as operations and maintenance contracts or insurance. Any survey should take these elements into account to offer suitable comparison data.

28. In the wake of the United Nations reform, a major benefit was expected from establishing United Nations Houses or United Nations Common Premises at the country level. In addition, co-location has also obviously a favourable practical influence on the launching and operation of other actual and potential common services. The challenge is to widen the scope of CS. The Inspectors encourage managers to think beyond the services derived from common premises to look into the services based on common requirements, needs and concerns. In that sense, they consider that Bangkok exemplifies some best practices in this respect. Instead of stressing differences among organizations, inter-agency efforts in this duty station seek to capitalize on common concerns and interests, thereby contributing to reinforcing the image of coherent action among United Nations system organizations.

<sup>13</sup> General Assembly resolution 41/213 endorsing recommendation 36 of the Group of High-Level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (A/41/49).

### **Common services require common commitments**

29. Previous reports of the Unit pointed out that CS within the United Nations system need an articulate and consistent policy statement. The issue was pointed out in 2000 by the Secretary General: “the success of establishing CS, covering not only the United Nations and the funds and programmes, but also the specialized agencies, would depend very much on the resolve of the organizations to pursue this endeavour.”<sup>14</sup> This statement remains very relevant, considering the diverse contexts observed in this note and the multiplication of organizations represented locally.

30. As stated in the report of the High-level Panel on United Nations System-wide Coherence: “without explicit commitment from organizational leaders, common services cannot work.”<sup>15</sup> In Inspectors views, this is one of the essential elements at each duty station visited. The Inspectors are conscious that such an attitude requires a particular effort of “multilateralism”, pragmatism and openness from the largest partners, in particular the Regional Commission.

31. A crucial aspect is to strengthen the link between the common governance committee and the heads of agencies through accurate and regular contacts. Briefing them persuasively and regularly would help to realize the potential of demand and supply for specific CS, and generate a positive attitude from their staff, thus enhancing chances of successful development and implementation. This is one of the lessons learned stressed by the Resident Coordinator for Thailand in his 2006 report.<sup>16</sup> As foreseen in the UNDG Guidelines, this argues for the ex officio presence of the Chairperson of the common governance committee at meetings of the heads of agencies in order to relay debates and agreed positions.

The implementation of the following Recommendation is expected to enhance the effectiveness of the proposed governance framework.

#### **Recommendation 3**

**In the context of the acceptance of recommendations 1 and 2, the Secretary-General, in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination, should, by the end of 2009, invite the executive heads of all United Nations system organizations to instruct their representatives at the four duty stations considered, in order to ensure the participation of the Chairperson of the common governance committee at meetings of the heads of local agencies, as appropriate.**

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<sup>14</sup>A/55/461, para 71.

<sup>15</sup>A/61/583, para 83.

<sup>16</sup> United Nations Resident Coordinator for Thailand report for 2006. Available at: <http://www.undg.org/index.cfm?P=490>



### III. COMMON SERVICES AT THE LOCATIONS UNDER REVIEW

#### A. Addis Ababa

##### Overview

32. Addis Ababa hosts the United Nations Economic Commission for Africa (ECA) and 27 United Nations entities, including the United Nations Mission in Ethiopia and Eritrea (UNMEE), a peacekeeping mission. Most of these offices are country-focused. For years, the construction of a new building has been under discussion (New Office Facility Project). At the time of the Inspectors' mission to Addis Ababa, the project was at the stage of a Request for Proposal (RFP) at United Nations Headquarters. The Inspectors consider that it would allow more organizations to share facilities and therefore constitute an opportunity for future expansion of CS.

##### Dynamics

33. In 2007, the United Nations Resident Coordinator commissioned an external consultancy study on the harmonization of CS across the UNCT in Ethiopia, notably to explore the areas of procurement, human resources, finance, logistics and ground transportation, protocol, customs clearance, ICT and facilities. It highlighted an overall scepticism concerning the successful implementation of CS, for both organizational reasons, e.g. perceived difficulties linked to absence of harmonization of established policies and procedures, and local circumstances, e.g. a certain fear of inefficiency by any lead agency that may be designated.<sup>17</sup>

34. The interviews conducted by the Inspectors confirm the absence of a large-scale plan which would have promoted new CS to complement those in place in areas such as IT and connectivity, security, health or travel management, or in relation to shared premises.

35. This relative absence of dynamics is to be linked with inter-agency cooperation, the effectiveness of which has been questioned by the Board of Auditors.<sup>18</sup> Although ECA adopted a more positive attitude on its presence and participation in the UNCT meetings since 2006, the Inspectors consider that the challenge is to continue to encourage a true inter-agency dynamics of collaborative work at that duty station.

36. The Inspectors encourage all United Nations entities to scrutinize potential areas of cooperation and to conduct feasibility studies in the areas of procurement, mail, host country relations and customs clearance, training of staff and sharing information on such matters as the consultants or short term staff roster, etc. It echoes the recommendation of the Board of Auditors in its report to the 61<sup>st</sup> session of the UNGA.<sup>19</sup>

##### Common services linked to common premises

37. With more than 1,800 people working permanently in the premises, ECA hosts more than 20 representative offices of United Nations agencies, including one NGO. An MOU governs the services linked to the lease. The amount charged by ECA (\$9.37 per square metre per month in 2007) includes the rent as well as additional services such as utilities, maintenance and security (representing 28 per cent of the amount charged). While almost all

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<sup>17</sup> Harmonization of Common Services Study, United Nations Resident Coordinator's Office for Ethiopia, 2008.

<sup>18</sup> Report of the Board of Auditors, A/61/5 (Vol. 1) paragraph 361 and subsequent paragraphs.

<sup>19</sup> Ibid, para 591 endorsed by General Assembly resolution 61/233 A.

tenants signed the MOU, the Inspectors noted that UNDP, as of March 2008, did not append its signature to the latest revision of the text, considering that there was a need for clarification on costs issues, including in legal terms.

38. The Inspectors noted a certain degree of misunderstanding between the landlord and several clients who justifiably criticized, during the interviews, the lack of transparency of the basis for recovery, as well as decisions relating to the use of the premises and the poor quality of maintenance services. A number of clients complained about the absence of a collective approach and information sharing. These remarks were considered unfounded by the ECA Facilities Management Division considering that constant informal briefings took place with tenants in order to ensure smooth functioning and that the real estate market survey conducted annually would ensure a reasonable competitiveness of the rental amount charged.

39. As manager of common premises, ECA expressed strong feelings that there was no incentive to improve the utilization and the services, or to maximise the revenue earned as revenues were currently treated as miscellaneous income and remitted to Headquarters.

### **Commercial services**

40. A number of services are contracted to private companies, e.g. catering, building maintenance, banking operations, etc. In many cases, for obvious reasons, the contracting party is ECA. During interviews, the Inspectors perceived the existence of problems to meet the commitments made by sub-contractors of services, for example, for cleaning and maintenance of building.

41. The case of travel services requires special attention. Until 2007, the United Nations system organizations and their staff made use of three travel agencies located in the premises for official purposes. The local inter-agency committee for the travel management services reviewed the existing arrangements and recommended to retain two travel agents and to switch from a commission-based pricing system to one based on management fees. The United Nations Headquarters Committee on Contracts decided to have only a single travel agent, thus creating a monopoly for official services. Among the 15 concerned agencies, it appears that practically all those who spoke with the Inspectors regretted the former competition among travel agents and considered that the United Nations had enforced that decision. Some reservations on the quality of service with regard to the travel agency agreement were also expressed. A periodic evaluation mechanism, including questionnaires to staff and travel units, is in place to assess performance. While the overall assessment is positive it has identified areas for improvement to strengthen the capacity of the travel agents to comply with the terms and conditions of the contracts that includes performance indicators.

### **Medical services**

42. At the duty station, health services are crucial given the modest level of health services available in the country. The United Nations Health Care Centre (UNHCC) is therefore not only a medical office but also a medical clinic, providing medical assistance and treatment in a variety of medical disciplines, with the participation of full-time internal staff and part-time external Ethiopian physicians. In 2007, it provided medical services to 1,753 staff and 3,471 dependants, giving a total of 5,224 patients.

43. After years of difficulties, and at times a proven serious lack of professionalism in the UNHCC, the appointment of a new Chief Medical Officer in 2006 contributed to improve the overall quality of medical services, which is still questioned by a number of staff members. A

market comparison conducted by the Chief Medical Officer shows that medical fees are competitive with local hospitals.

44. The UNHCC is financed from three sources: United Nations regular budget, extra budgetary agencies contributions based on the number of staff and dependants and the payment of medical acts performed. Up to 2008, for calculating contributions, services were divided into core (all administratively mandatory medical acts, only for staff), and non-core (all medical treatment for staff and dependents).

#### **Administrative and financial services**

45. Beyond the scope of its own divisions, ECA does not provide administrative and financial services to any other agency. Addis-based agencies either have their own units or rely on UNDP. At Addis Ababa, UNDP clients are UNFPA, UNAIDS, UNOCHA and UNOPS.

#### **Information technology**

46. Information Technology CS is developed on a model based on a reimbursement mechanism. As a result of the poor connectivity situation in Ethiopia, ECA Information Technology Services Section (ITSS) provides IT access (such as Internet, telephony and private networks) to almost all agencies. This service is not limited to agencies located in the main premises and is generally praised. The MOU signed between ECA and agencies describes the roles and responsibilities of provider and clients, their expectations and required investments. Representing a larger group of organizations, ECA ITSS is able to obtain reduced prices on the purchase of equipment and the costs of IT operations. It is rewarded by an added amount of 11.5 per cent as support costs, allocated to a “consultancy account” and re-invested into the process through IT support services or equipment upgrading. In view of the good use made out of this money, this system is well accepted. The Inspectors consider this as a best practice as long as transparency is maintained (through the involvement of ECA Finance Section that clears the agreements).

#### **Library services**

47. In 1998, the ECA initiative to move towards a common library using its building as the core establishment failed. As discussions were still in progress, UNICEF, UNDP, WHO and ILO moved their collections, together with their staff, into the ECA Library. As no formal agreements on services or on operational issues were achieved, the project came to an end with the consequence that materials remain abandoned and in bad condition, constituting a problem for the ECA library. Most recently, ECA and ILO engaged in discussions and drafted an MOU for renting storage space for ILO publications and on library services and publications distribution. Unfortunately, this initiative was not concluded due to the absence of follow-up from various ECA sections on commenting on the document.

#### **Printing services**

48. The capacity of the printing industry in Ethiopia places ECA Documents Publishing and Distribution Unit in a position of a major service provider to all United Nations system organizations at competitive prices, as well as with a premium quality of outputs. ECA drastically modernized its equipment over the past five years and organized in-depth technical training for its staff. Therefore it created a competitive entity able to serve ECA, which keeps a priority, but also other agencies as appropriate.

## Governance

49. An Inter-Agency Operations Management Group (OMG) was “reconstituted” in July 2007 under the guidance of UNCT. According to its terms of reference, it comprises the Senior Operations/Administrative/Financial managers of each organization represented. Its functions include the harmonization in the areas of procurement, recruitment and financial management as well as the identification for collaborations and innovations to improve efficiency and effectiveness of services.<sup>20</sup>

50. The Inspectors consider that OMG has not yet proved to be a clearly identified CS governance body. It was hardly mentioned during the interviews and the records show a high level of absence of most agencies in the meetings. In addition, for a number of agencies, the level (grade) and the consistency in individuals’ participation should be improved. In particular, ECA involvement in OMG seems extremely low. The Inspectors noted with great concern that from July 2007 to February 2008, OMG held nine meetings with only one of them attended by ECA.

51. Lacking a clearly identified structure, Addis Ababa is thus characterized by the co-existence of unrelated specialized management committees for various types of services and working at different levels, among which:

- The Compound Advisory Committee, which only brings together the ECA Chief of Facilities Management Section and the representatives of the three biggest tenants in the premises, to oversee the space allocation and the general administration of the building. Its limited participation was explained to the Inspectors by efficiency considerations. The fact that it meets sporadically (three formal meetings during the period 2005-2007) and only when “problems” occur does not ensure smooth and transparent relations between ECA and its numerous tenants.
- UNHCC is managed by:
  - The Clinic Advisory Committee (CAC) composed of Heads of Administration/Operations of each participating Agencies (19 in total) including ECA.
  - CAC reports to the Executive Committee (EC) composed of the heads of the same participating organizations. It meets at least annually to approve the annual report and the budget and decide on policies and strategies affecting the clinic.
  - A Standing Technical Sub-Committee advises on facilities and services or on technical issues.
- Ad hoc committees are created when required, such as the Inter-Agency Committee on Provision of Travel Management Services or the Parking Committee.

52. This complex situation does not create enough visibility and unity for CS and raises issues. For example, clinic committees do not convene on a regular basis, or in accordance with the defined procedures, apparently for scheduling difficulties. As a result, the annual budget is not approved on time. Against that background, the Inspectors recall recommendations 1 and 2 of this note that appear particularly relevant.

53. Indeed at various stages of the review, ECA underlined its full support for the idea of common services. Based on ECA extensive experience, functioning structures and procedures already in place, the Inspectors, with ECA, believe that there is an urgent need of

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<sup>20</sup> Terms of reference of the Operations Management Group, July 2007.

legislative, financial and administrative set ups to allow further improvements and widening of the scope and quality of common services.

## **B. Bangkok**

### **Overview**

54. In addition to the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), a total of 24 organizations have a representative office installed in Bangkok. Twenty are regional or subregional entities, including ESCAP, and the activities of five offices are focused on the host country. At the time of the JIU mission, 16 organizations were located in the main compound and nine in the city, some of them far from ESCAP. ILO is the only specialized agency hosted in the compound. Some 1,063 staff members are occupying the main premises (523 for ESCAP alone) while a total of 766 staff is working outside the compound. The steady growth of United Nations system organizations at the Regional Commission premises and in Bangkok in general, which benefits from the good infrastructures of the town, could last if the general conditions are stable.

### **Dynamics**

55. Bangkok-based United Nations system organizations have shown a lively interest in CS since 2004. A number of seminars and workshops conveying representatives of all organizations (including the Regional Commission) have taken place, demonstrating a positive dynamics for CS, also benefiting from the regional character of many representative offices of United Nations agencies.

56. At the working level, this spirit took a concrete shape through the secondment by the United Kingdom Department for International Development of a “common service coordinator” operating within the Inter-Agency Support Unit of the Office of the Resident Coordinator. This function plays a positive and catalytic role as the coordinator serves as secretary and prime mover of many related concrete initiatives. At the end of 2007, his critical functions have been transferred on a part-time basis to the common learning manager hired in the context of another CS project.

57. The function of the CS coordinator operating at Bangkok can be considered as a best practice, which ensures that the management and operation of CS is a powerful tool to promote the cooperation of the interested organizations in that field. The modalities of such function can be different by locations and should be decided locally. They can be established with or without the creation of a post but any formula should be based on burden sharing.

The implementation of the following recommendation is expected to contribute to the dissemination of best practices.

#### **Recommendation 4**

**By the end of 2009, the Secretary-General, in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination, should invite the executive heads of all United Nations system organizations to instruct their representatives at the four duty stations considered, in order to reinforce the dynamics of common services, including through a clearly identified function of a common services coordinator who will serve as secretary of the common governance committee.**

58. Interviews with some ESCAP programme managers revealed, however, their concern for the possible negative impact on their own budget and programme delivery capacities of the expansion of CS perceived as “provided by the Regional Commission to a vast number of United Nations entities”. A fair system of cost recovery should be clearly explained and appease their concerns if reimbursed amounts are kept on the ESCAP books.

### **Common services deriving from common premises**

59. Hosting 15 United Nations entities in the building, ESCAP logically provides a range of services to these organizations, e.g. rental of office space, utilities and building maintenance, telephone services, mail, etc. A standard Lease Agreement is signed between the United Nations, acting through ESCAP, and all entities renting office space. It describes the services that both parties have agreed upon. The rent (\$11 per square metre per month in 2007) is determined on the basis of the space occupied and includes related reimbursable items (about 45 per cent of the amount): utilities, services such as security and safety. The Inspectors noted that these services fall under the general governance framework, yielding a positive level of satisfaction from the users and their organizations but also some preoccupations for the future, if the steady growth of the number of offices and staff should continue.

### **Common services focusing on common needs**

60. The Inspectors welcome the concrete achievements obtained by the collaboration among ESCAP and other organizations for common undertakings focusing on their common needs:

- Creation of a common learning manager position and related training plan;
- Negotiation of a common airlines agreement reducing the costs of official travel;
- Joint procurement process for the choice of a travel agency and for items such as toners and cartridges;
- Constitution of a common roster of consultants in development areas;
- Organization and utilization of a common entry level test for general service staff;
- Rationalization of library services by inclusion of some Funds and Programmes reference units into ESCAP library;
- Streamlining of mail and courier activities; and
- Harmonization in relations with the host government.

### **Medical services**

61. The Medical Service in Bangkok is placed under the authority of the Chief of the Human Resources Management Section, and serves staff members and their dependants from ESCAP and other secretariats of the United Nations system. Services include professionally required periodic medical examinations and vaccinations, as well as medical clearance. It offers consultations concerning individuals' health status and referral to specialists and also offers walk-in health services with a limited range of general care. Two posts are financed through the regular budget, one through cost-shared resources. Some 6,000 visits are paid in a year, mostly by staff located in the building (including approximately 50 per cent by ESCAP staff). There is currently no user satisfaction survey conducted on a regular basis.

### **Commercial services**

62. The interviewees generally commended the quality of commercial services offered within the compound by outsourced private companies for services such as banking, catering, etc. The Inspectors noted that these services are discussed in Bangkok as a matter of common governance.

### Administrative and financial services

63. The mandate of ESCAP Division for Administration includes the provision of common service arrangements and management for other United Nations offices and agencies occupying the Commission's headquarters.<sup>21</sup> An MOU is signed between ESCAP and each of its "clients", in which administrative and financial services are detailed, describing the responsibilities of each entity and notably what ESCAP is in charge of and details the client's responsibility in the process. Following a Board of Auditors recommendation, ESCAP is engaged in a process to conduct a cost reimbursement study related to these services.<sup>22</sup>

64. In Bangkok, UNDP provides services to other agencies according to agreements signed at Headquarters. The cost recovery is charged on a transactional basis as established in UPL, and local specific charges are based on the time spent for each transaction as stipulated in UPL.

**Table 2: Administrative and financial services at Bangkok**

Clients organizations	Provider: ESCAP	Provider: UNDP
ITU		Y
UNAIDS		Y
UNDP		Y
UNEP	Y	
UNFPA		Y
UNIAP		Y
UNIDO		Y
UNIFEM		Y
UN/ISDR	Y	
UNITSD	Y	
UNOCHA	Y	
UNOHCHR	Y	
UNODC	Y	Y
UNOPS		Y
UPU		Y
WFP		Y

65. Some other agencies are involved in the provision of services such as pouch operations (which are exchanged on a mutual basis) or shared printing.

### Conference services

66. The ESCAP Conference Service Section provides a wide range of meeting services for both ESCAP and external conferences and meetings. Due to lack of resources, the servicing of non-ESCAP meetings is limited.

67. Opened in 1993, the United Nations Conference Centre (UNCC) is managed and operated by the ESCAP Conference Management Unit. UNCC is the only United Nations conference centre in the Asia-Pacific region of any importance and is, in addition to ESCAP activities, the venue of international and regional conferences, as well as events organized by the Thai government. In spite of this and the expectations of UNGA, the current usage of the

<sup>21</sup> ST/SGB/2005/11, para 17.2 f.

<sup>22</sup> See "Implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations for the biennium ended 31 December 2007 and on the capital master plan for the year ended 31 December 2007", A/63/327, paras 217-219.

facilities is limited to 30 per cent of its capacities. This situation results from a lack of resources and the heavy market competition of big hotels, as well as the location of the premises which are located some distance away from major urban transport facilities. As a consequence, even other United Nations system organizations do not systematically organize their events at UNCC. About 50 per cent of the events organized are ESCAP-related, while only around 15 per cent are organized by other United Nations entities.

### **Governance**

68. In fact, CS governance is structured as follows: under the overall supervision of the Heads of Agency group, the Operations Management Team (OMT) is composed of Senior Operations/Administrative Officers and open to all agencies. Affiliated organizations are responsible for identifying, assessing, prioritising, planning and implementing activities related to CS. At the technical level, OMT sets up Working Groups to undertake activities and accomplish tasks relating to an agreed action plan. At the time of the mission, the Working Groups were active on human resources, procurement, information and communication technologies and financial matters.

69. The Inspectors noted that some common services initiatives, such as common IT trainings, started outside the governance framework but ended up under this umbrella once concrete results were achieved and shared with other entities with the view of further expansion.

## **C. Beirut**

### **Overview**

70. In addition to the United Nations Economic and Social Commission for Western Asia (ESCWA), 10 offices are considered, including the Office of the United Nations Special Coordinator for Lebanon, but excluding UNIFIL. About 1,000 staff members are employed in the city (400 by ESCWA). In 2007, following a decision taken by the Security Management Team (SMT) for Lebanon in view of the security and safety situation, United Nations system organizations have been spread over the city. Initiated in 2005 by the Secretary-General, the issue of the relocation of the common house to a safer part of the city has been an important element taken into consideration for medium-term future, especially in terms of CS. A new cycle of the process to identify a suitable land for the construction of new facilities is currently underway.

### **Dynamics**

71. In terms of security and safety conditions, after the internal and external wars that have affected Beirut, the political and military situation in the country and in the region continues to present serious challenges to United Nations system organizations' operations and performance. The United Nations Common House hosting ESCWA and a diminishing number of agencies from the United Nations system is perceived as unsafe for various reasons. In recent years, the dispersal of organizations and staff obviously affected the capacity for common services (see below). In addition to its responsibilities as building manager, the Regional Commission Secretariat provides services limited to its own divisions, with the exception of ad hoc services rendered occasionally to organizations in the compound. The costs of these "ad hoc services" (recruitment, payroll, IT support) are not recovered by ESCWA as they involve, according to the Administration, marginal workload and cost implications.



72. UNDP provides administrative support to a number of local representative offices of United Nations agencies and regional projects. Operational services are being provided in the areas of finance, recruitment, procurement, travel, etc. Relevant costs for these services are recovered on the basis of UPL. In the future, since several organizations such as UNFPA and UNODC will join its new premises, UNDP will ensure for them the building management and hence the rental and maintenance functions. CS costs will be apportioned among these agencies/offices based on the actual space occupation.

73. After several years of difficulties, as a side effect, the events of 2008 helped the various United Nations system organizations to better realize their common fate and triggered a new impetus embodied by the efforts to reconvene a common operation management series of meeting on a regular basis, in order to tackle issues of common interest. Indeed, a number of activities are presently duplicated or run in parallel: host-country relations, procurement, mail, travel arrangements, etc. are potential areas for discussion and rationalization under a common approach.

### **Common service linked to the United Nations House**

74. In 1998, a multilateral MOU on the Occupancy and Use of Common Premises was signed among United Nations system organizations occupying the building. It stipulates that ESCWA shall be responsible for the direction and administration of the operational and infrastructure services. Space occupied by tenants was utilized as basis for calculation of the shared CS costs (see para. 78). In 2003, a revision introduced bilateral agreements between ESCWA and each agency and added the principle of a 5 per cent overhead justified by the support costs of ESCWA administration related to those services.

75. As mentioned, in 2007 and 2008, a number of organizations moved out of the United Nations House, leaving ESCWA as practically the sole occupier along with OHCHR and UNIDO. The Inspectors learned that a private Lebanese company had built and owned the office building and that the Government of Lebanon pays the rent to honour the Host Country Agreement provisions. Therefore, as the Government of Lebanon granted to the United Nations the occupancy and the use of the building, ESCWA does not receive any reimbursement of rent for the premises and only charges other tenants for general operating expenses, including those related to utilities. But legally, the latter are bound to continue to pay common services charges for those premises, even after the agencies had left. Not surprisingly, at the time of drafting, this situation has created some tension and arrears in payments. **The Inspectors consider this as a serious common services issue that needs to be urgently resolved.** ESCWA officials are conscious of the situation and are seeking written confirmation from former tenants of their definitive renunciation, as well as a complete vacation of the premises.

76. ESCWA provides services to tenants in three categories:

- 1) Costs-shared services: electricity, water, diesel, maintenance, cleaning, receptionist and clinic. Some of these are outsourced by ESCWA (operation and maintenance services and cleaning),
- 2) Directly paid services to ESCWA: communications facilities,
- 3) “Non-payment services”: use of facilities such as conference, parking, IT, library, human resources, cafeteria, finance, etc. The non-payment services are in fact financed through the added 5 per cent support costs calculated on the amount determined for costs-shared services of category 1), which should concern less and

less organizations, because they were linked with the occupancy of space in the Common House. Additional services such as conference services would be the responsibility of the organizer or subject to reimbursement if provided by ESCWA. Some ESCWA service providers (ICT) expressed their wish that a number of services provided as “non-payment” or ad hoc would be part of the cost shared category in the future.

77. In the absence of Service Level Agreements (SLA), there is no mechanism for performance reporting or client satisfaction measurement. Nevertheless, ESCWA managers show a great confidence in the level of satisfaction of users, which was confirmed by client organizations. The Inspectors believe that any CS should be monitored by a mechanism of quality control placed under common governance.

78. The ESCWA administration pragmatically considers that, as long as services are rendered on ad hoc basis and represent a small workload and limited cost implications, there is no need to formalize cost-recovery policy or SLA, but agrees with the Inspectors that the issue should be revisited when the new future common house is built.

### **Medical services**

79. The United Nations House Clinic, reporting to ESCWA Human Resources Management Section (Administrative Services Division), is composed of a medical officer (project status) and two G6 nurses. It takes care of 1,505 persons (staff of organizations and dependants), and it provides professional examination and certification as well as vaccination but claims to lack human resources capacity for secretarial and clerical support. Given the specific situation of the duty station, the possibility of resorting to a stress counsellor should be seriously considered.

80. Under the 2006 MOU for Joint Medical Services, eight participating agencies contribute financially to the clinic. Contributions, prorated on the basis of staff, are reimbursed yearly to ESCWA. WHO and UNRWA provide their own medical arrangements.

### **Commercial services**

81. Catering is the sole commercial service available in the compound. At the time of the review, a new bidding process was initiated.

### **Governance**

82. ESCWA manages the services through its own sections. The Advisory Committee on Common Premises, created in 2003, held no meetings in the last three years. However, the Inspectors gathered explicit support for the notion of one common governance committee for CS, both from clients and providers. In terms of common governance, the willingness to reconvene regular inter-agency meetings is a positive sign that the Inspectors want to underline. In particular, there is an agreement to address issues of common concerns during the meetings that will be hosted and chaired on rotational basis. For all matters of common interest, the principle of having one “spokesperson” (ESCWA) with the host government was also agreed upon. In the medium term, the construction of a new common house would give an opportunity to encourage the co-location of more United Nations agencies and create more favourable conditions for CS under a common governance mechanism with clearly identified service level agreements.

The implementation of the following recommendation is expected to enhance efficiency of Beirut-based United Nations agencies.

**Recommendation 5**

**In light of the relocation of the United Nations system organizations' staff due to the security and safety situation, the executive heads of all United Nations system organizations represented in Beirut should encourage their representatives to identify the concrete common services to be maintained or developed in the new circumstances.**

**D. Santiago de Chile**

**Overview**

83. There is a limited number of United Nations system organizations represented in Santiago de Chile. Besides the United Nations Economic Commission for Latin America and the Caribbean (ECLAC), there are currently eight United Nations entities with regional (three), subregional (two) and country (four) responsibilities for a total number of less than 1,000 staff (more than 50 per cent for ECLAC).

84. An important characteristic is that the Regional Commission's premises do not house any other organization. It is located in a neighbourhood with some organizations nearby, but some others are located further away. FAO (127 staff) and UNDP (32 staff) share their premises and are located very close to ECLAC and ILO. Other representative offices of United Nations agencies are dispersed throughout Santiago de Chile.

**Dynamics**

85. In 2005, following the UNDG Common Services Workshop, a programme of work was established and submitted to UNCT for Chile. Several initiatives were launched (through task forces on travel, procurement and facilities management), initially with enthusiasm but interest declined over time. Difficulties were encountered in organizing periodic meetings and a high turnover rate and leadership changes resulted in lack of continuity. Nevertheless, in 2008, a certain level of teamwork re-emerged in the context of the creation of a Business Continuity Programme involving several agencies.<sup>23</sup>

86. While very few concrete steps have occurred since 2005, participants in an inter-agency workshop held in November 2007 agreed that the following activities could be considered as potential or possible CS at Santiago de Chile: cleaning service, IT equipment, legal affairs, procurement (including e-procurement), telephone services, photocopies and printing service, courier and local transport. But the JIU mission revealed that the notion of CS does not raise great enthusiasm at the duty station, except for some managers.

87. In Santiago de Chile, the major bargaining power rests with ECLAC, by far the biggest representation of the United Nations system in Santiago de Chile. Interviews confirmed that the United Nations agencies, funds and programmes share the feeling that this strong

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<sup>23</sup> The Business Continuity Plan (preparedness) aims at enabling all the organizations to continue to provide core services in the event of a disaster (as an earthquake, possible at the location), including having a common back-up site (ECLAC) for all agencies represented in Santiago.

advantage should be used to launch CS initiatives among organizations, especially where the main factor is increasing the collective “bargaining power” of the United Nations community, as in procurement and contracting out issues or in the negotiations with the host country on fiscal regime for professional activities of spouse.

### **Medical services**

88. The Medical Unit is one of the few functioning CS in Santiago de Chile. Composed of a doctor (part-time under project contract), an administrative assistant and two nurses, the unit reports to the ECLAC Division of Administration. It provides professionally related medical actions to United Nations system employees but does not serve dependents or retirees.

### **Review of selected services**

89. Services such as audio-visual tools, banking facilities, gymnasium, training and examination centre operate in ECLAC and are available to all other organizations, but used on a limited basis. ECLAC conference services are open to the rest of the organizations on request and reimbursement, but are not commonly used due to private sector competition and lack of United Nations regional gatherings in the city other than ECLAC events.<sup>24</sup> Pouch and mail activities are split between ECLAC and UNDP.

90. A government project for the construction of a United Nations neighbourhood is envisaged with PAHO/WHO and UNICEF. UNESCO, initially interested, finally withdrew.

91. Due to its dispersed locations, commercial activities inside the ECLAC building are in a difficult position: the physical disposition of ECLAC, with a large park around the buildings, does not facilitate the use by outsiders of the available services. Some of the commercial activities such as the cafeteria are duplicated in the same neighbourhood (FAO and UNDP cafeteria).

92. As UNDP Chile shelters the local liaison offices of UNFPA, UNIFEM, UNHCR, OHCHR, UNAIDS and WFP, it provides them with financial, human resources, procurement, pouch and mail services and also manages their relationship with the host country. After years of gratuity, UNDP now refers to its UPL to charge all those agencies for reimbursement.

### **Governance**

93. In 2005, as a direct outcome from the UNDG workshop, an Operations Management Team (OMT) was established, reporting to UNCT and composed of Senior Operations/Administration Officers. Its terms of reference include the management of CS in the country and at the duty station.<sup>25</sup> Regrettably, the Inspectors noticed that meetings take place irregularly and sporadically (only five meetings held since 2005) and therefore do not ensure a true dynamics for CS. As a result, no noticeable progresses have been recorded since 2005. Theoretically, OMT includes task forces on travel, procurement and facilities management. The Inspectors believe that the actual implementation of recommendations 1 and 2 of this note would help to improve the dynamics and subsequent results.

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<sup>24</sup> Some other cities in Latin America attract more and more United Nations entities, as Panama City or Mexico-City where the ECLAC subregional office seems to be actively involved in CS.

<sup>25</sup> Terms of reference for OMT, June 2005.

### **E. At all duty stations: safety and security services**

94. The review confirmed that safety and security issues are well handled by the United Nations system at the duty stations considered. Since 2005, related services have been brought under the auspices of the Department of Safety and Security (DSS). Its Division of Headquarters Security and Safety Services (SSS) oversees United Nations compounds (such as the premises of Regional Commissions), while its Division for Regional Operations scrutinizes and assesses all security issues at the country level and advises the Designated Official for Security (DO).

95. The Inspectors came across two organizational models, according to the assessed level of risks. In Addis Ababa and Beirut, ECA and ESCWA Security and Safety Services (SSS) are responsible inside the compound (access, building security management, etc.) with exceptional external interventions, such as personal protection of high-level senior officials or incidents involving staff; while distinct Security Advisers oversee all security issues in the capital and elsewhere in the country. In Bangkok and Santiago de Chile, the Chief of the Security and Safety Section has two roles: as Chief of the section for the compound and as Security Advisor for the country. On-site visits showed multifaceted situations especially for agencies not located in the main premises. A proposal for generalizing a model in which a Chief Security Advisor would be seconded by a deputy for security aspects within the compound and a deputy for security issues in the country was submitted to CEB in October 2008.

96. Headquarters security and safety services are financed through the United Nations regular budget while the national operations are financed through an inter-agency global cost-sharing mechanism. To determine the contribution of each agency, fees are based on the number of staff employed in the country. The level of risk in each country is currently not considered in the methodology but could be added in the light of current security threats against representative offices of United Nations agencies.

97. Where agencies are located outside the compounds, such as ICAO, FAO and UNICEF in Bangkok, private security firms perform security tasks. UNESCO hires security staff under individual service contracts. United Nations security advisors support these agencies in their relations with outsourced security companies by monitoring services performed, and assessments of security requirements and site surveys.

98. At the country level, the Designated Official for security issues is the highest level official in the United Nations system. This is a strategic position: since unified policies are shared by all agencies, security decisions may be imposed on every organization in the United Nations system. In the vast majority of cases, the UNDP representative, as United Nations Resident Coordinator, is the DO. But in Addis Ababa, Bangkok and Santiago de Chile, the Executive Secretaries of the Regional Commissions because of their status as Under-Secretary-Generals are the DOs, while in Beirut the Special Coordinator for Lebanon takes on the responsibility, as is the case in countries with peacekeeping missions. This situation raises the issue of the differences in the qualifications required for security decisions and political leadership of Regional Commissions.

99. In each of the four duty stations, a dedicated management committee oversees security and safety operations. The Security Management Team (SMT) meets regularly at the level of heads of represented United Nations agencies, for example every month at Addis Ababa, but every three months in Bangkok (at the time of the JIU mission) or more often, as required, in Beirut. Meetings are attended by the Chief of SSS, the Security Advisor and the Designated Official as well as by security focal points of all local organizations. At all duty stations, the

Inspectors noted with satisfaction the level and the consistency of attendance in these meetings as well as good degree of satisfaction of client organizations. This is the only service that the Inspectors do not propose to be part of the model of governance presented in the note.

100. In Beirut, SMT decided to establish a collective Security Information Operations Centre (SIOC) that is cost shared by all organizations. SIOC maintains a database for all staff based in the country and ensures radio communication and security information dissemination to all staff. It also tracks staff movement in the country. The Inspectors encourage other duty stations to consider the benefits and costs associated with the possible creation of such a structure in their respective contexts.

101. In Santiago de Chile, a common project was launched to select a private security firm that can offer security guards to FAO/UNDP, UNICEF, ILO, and UNESCO. PAHO/WHO is still considering its participation in this project. A consultant, supervised by the ECLAC Security and Safety Section, conducted the project. A characteristic of this bidding process is that only one security firm would offer the service to all organizations concerned, but would make separate contracts to each one, in accordance with their specific needs. This would improve the quality of the service provided and would reduce problems as well as prices. At the time of the JIU mission, the bidding was in its final stage and the operations of the selected security firm about to start.

102. This section would not be complete without mentioning that some of the difficulties that the Inspectors had in understanding the reporting lines and respective roles of the various authorities for Safety and Security had been shared by the OIOS, as mentioned in its report on a comprehensive management audit of the DSS<sup>26</sup> which is requesting the DSS to consider, among other things, the need to: (a) clearly delineate its roles and responsibilities vis-à-vis those of Designated Officials at offices away from Headquarters and regional commissions; (b) clarify the responsibilities and lines of reporting of Chief Security Advisers at offices away from Headquarters, regional commissions and other field locations. According to this report, the way the USG for Safety and Security was sharing its responsibility with the DO at the duty stations was ambiguous and could lead to diminished accountability and compromise the safety and security of United Nations staff.

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<sup>26</sup> A/63/379, paras. 15-17 and 18-19.

#### IV. LAUNCHING A NEW COMMON SERVICE

##### **From concepts to initiatives: designing a service in common**

103. Wherever colleagues belonging to different organizations may be struck by the similarity and the parallelism of their respective tasks, by the commonality of some of their professional expenditures (e.g. toner or paper procurement), or staff welfare (e.g. kindergarten), by the better buys that a greater bargaining power allows etc., once conceived, such shared thoughts should be discussed with the CS coordinator in the duty station.<sup>27</sup>

104. The Inspectors support the strategy that consists of concentrating on simple actions first, based on the assumption that “quick wins” will help to build the entire process and a spirit of collaboration at a duty station, thus allowing more ambitious results in the medium term. For instance: at little cost and energy, several Bangkok-based representative offices of United Nations agencies decided to share existing data on consultants through a web-based roster that provides a broader and relevant choice and time-saving in the recruitment process for participating agencies. With that in mind, the Inspectors consider that many opportunities at the duty stations visited have not been seized yet.

105. Functional clustering, defined as the physical co-location of staff from various organizations doing jobs in similar technical areas, is an opportunity to develop harmonized business processes. As stated by one of the interviewees: “By bringing together people from various representative offices of United Nations agencies, the people concerned would realize the extent to which they were duplicating tasks”. In a sense, clustering is a move into the direction of integrated services. Obviously, the accountability of staff to their own organization should be preserved, as long as there is no real integration among them (for instance in the possible future Regional Inter-Agency Shared Services Centres envisaged).<sup>28</sup> As an example, in 2007, ESCAP and UNDP launched a feasibility study on the possibility to combine their respective Protocol Units looking into workflows and work organization, as well as areas of standardization while fully respecting the requirements agreed with the Thai Government.

##### **From an initiative to an agreed common service: the role of a Working Group or Task Force**

106. The most effective, economic and democratic way to launch a CS initiative, once its concept is assessed worthy by the common governance committee, is to create a temporary working group dedicated to the envisaged common service, which will deal with all its technical, practical, financial, legal and diplomatic aspects. It will take precise stock of the present situation and its costs in human and financial resources, launch and conduct a relevant feasibility study, prepare proposals for the common governance committee and draft the legal instruments to be used (SLA, MOU).

107. A working group should be composed of interested organizations and persons, committed to working on a voluntary, regular and no-cost basis and representing all the kinds of skills mentioned above. Given the diversity of local representative offices of United Nations agencies, the Inspectors advise agencies to participate in the working group in order to ensure that their specific needs and constraints are taken into account, leaving open the possibility of participating, or not participating, once CS are established at a later date. The

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<sup>27</sup> See Recommendation 4.

<sup>28</sup> See para. 126.

members of the common governance committee, when launching a working group, should choose an agency representation to chair it with the responsibility to report on its work progress to the committee. The chair of the working group would keep the common governance committee informed of the progress made, with each committee member keeping his or her headquarters abreast of the progress made by the CS initiative and prepare them for the changes which will necessarily affect their organization in one way or the other, for the best and also through some possible constraints.

108. The Inspectors recognize that the establishment of CS requires heavy technical work. Any service assessment requires extensive data collection to build up a true picture of the current service provision, its conditions and costs, with a view to determining respective and common potential gains. Most of the concrete achievements reached are preceded by in-depth reviews involving multiple partners. For budgetary and practical reasons, competent staff, in close liaison with the users, conduct feasibility studies.

### **A simple and fair funding arrangement**

109. In Addis Ababa, some interviewees expressed criticism of the complexity and diversity of apportionment or recovery systems, often considered as not transparent to them as users. Reiterating the conclusions of some previous JIU reports, the Inspectors are convinced that, to the extent possible, CS should be organized on the basis of simple and fair cost arrangements avoiding any subsidization of either the provider or the clients. Common sense and some explanations should lead to using some obvious units of measurement, according to the service envisioned, e.g. occupied space, number of staff or actual usage.

110. The High-level Committee on Management (HLCM) would greatly facilitate the local CS financing arrangements by agreeing “multilaterally” on basic principles thereof, as is the case with the Security and Safety mechanisms. Lessons should be duly learned from past negotiations on support costs and the price of services provided. This would also be a good opportunity to agree on principles and use of feasible cost accounting techniques, with an agreed upon level of consolidation to take into account the significant overheads.

111. In particular, such a policy could take advantage of the principles proposed in the report of the Secretary-General on the “Feasibility of the application of cost accounting principles in the United Nations secretariat”.<sup>29</sup> This “would ensure that: (a) Management controls and procedures exist to authorize the setting of charges; (b) Charges are set consistently and appropriately; (c) Costs are not over-recovered or under-recovered; (d) The charging regime maximizes the utilization of resources; and (e) Where applicable, competition with external suppliers is fair, i.e. not subject to subsidization”. In this regard, the experience of UNDP in cost accounting for the establishment of its UPL should also be tapped.

**112. The principle of a yearly contribution of the participating agencies, paid before the actual delivery of services should be followed, to allow timely cost recovery, reduce the administrative burden associated with it and avoid conflicts and penalties.** The Headquarters should send the related allotments accordingly.

113. Once the efficiency gain is demonstrated and the modalities of operation and cost recovery clarified, the issue is discussed at the level of the common governance committee, where a lead agency is normally proposed (or confirmed, if chosen during the assessment phase) for future management. The lead agency approach is particularly promising in the

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<sup>29</sup> See A/61/826.



procurement area on the basis of a comparison of the respective bargaining powers of each organization. Once the project has been thoroughly discussed in the working group and the committee on common governance and normally agreed upon, it is sent with the relevant documentation to the heads of local representative offices of United Nations agencies for a final decision, implying an acceptance by the respective authorities of each representation, at their respective headquarters. The necessary flexibility of the latter would be greatly enhanced if basic cost accounting and cost sharing principles among United Nations system organizations have already been identified and agreed upon at the level of HLCM. Local arrangements would greatly benefit from such a high level acknowledgment. In addition, a common methodology would allow comparability between diverse situations. In the view of the Inspectors, procurement, mail and courier services and services related to human resources could be explored in the near future.

The implementation of the following recommendations is expected to enhance the effectiveness of common services initiatives.

**Recommendation 6**

**The Secretary-General in his capacity as Chairman of CEB should request the High-Level Committee on Management to identify and agree upon, by the end of 2010, a series of basic principles for cost accounting and cost sharing for various types of common services among United Nations system organizations, in order to guide the elaboration of local arrangements for common services such as procurement, travel agencies, pouch and mail, health care, recruitment tests and learning activities, etc.**

**Recommendation 7**

**The executive heads of the United Nations system organizations should facilitate the approval and implementation of locally agreed upon arrangements for common services corresponding to the above-mentioned basic principles agreed upon by the High-Level Committee on Management.**

**Monitoring and evaluation of common services**

114. As underlined by the Secretary-General “at present there is no comprehensive assessment as to the benefits of common premises in terms of cost-saving or other advantages” and while “some progress has been made with the introduction of common support services and new administrative and financial procedures, the monitoring of the benefits of these new procedures has not been satisfactory”.<sup>30</sup> To confirm this statement, the Inspectors came across very few institutionalised monitoring or evaluation mechanisms.

115. The Inspectors consider that it is the responsibility of the community of United Nations system organizations at each duty station to put in place an adequate evaluation framework. Yet, the Inspectors strongly believe that CS initiatives should not be evaluated only on the basis of the recorded financial savings achieved but, more importantly, in terms of efficiency

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<sup>30</sup> A/62/73, para. 128 and 136.

gains. In that sense, with a strategic result in mind, CS at key locations such as those under review would, by themselves, reinforce the image of coherence of the United Nations system and free human and financial resources to improve programme delivery outputs at the regional or country level.

116. The Inspectors recommend giving special attention to ensure a continuous “provider-client” relationship and an objective quality control system. For each service, satisfaction measurement mechanisms should be established; “client” organizations as well as individual users have to be consulted regularly on a consistent and, hence, comparable manner. While this note does not intend to elaborate indicators and benchmarks for each type of services examined, the Inspectors would like to state that performance indicators have to be “SMART”, standing for:

- Simple;
- Measurable;
- Adapted to the type of service delivered and to the needs of the client organization and the nature of its operations;
- Realistic;
- Time specific.

117. Performance indicators have to be recorded in the respective SLAs. This should be the agreed basis and the common tool for any assessment exercise. Across duty stations and services, the review demonstrated a variety of situations regarding SLAs, this ranges from detailed documents stating “rights and responsibilities” of both provider and client to the absence of any referral document.

118. Evaluation is an integrated part of the governance process. But, more than the monitoring function, it has to be conducted independently from the CS management authorities themselves. The cost-benefits analysis and the assessment of the results achieved cannot be the responsibility of the provider. They belong to the common governance committee. In many instances, independent evaluation of services performed was lacking or found weak.

119. Furthermore, feedback is only meaningful if, where necessary, it is followed up by appropriate corrective (or rewarding) measures. In view of the perceived absence of such measures from some service providers, the Inspectors encourage all of them to inform institutional clients and individual users on the results of monitoring and evaluations, as well as on follow-up measures taken to address the possibly revealed weaknesses.

120. By contrast, during the review, the Inspectors identified good practices regarding quality control and feedback mechanisms, including the good use of new technologies, such as:

- Customer Relationship Management system launched by ESCAP Administration Division;
- Online satisfaction survey conducted by the Addis Ababa clinic;
- Front desk (single entry point) and service level manager (interface with all clients) for IT services provided by ECA to record problems and actions based on MOU dispositions; and
- Online survey on the services of the cafeteria conducted by ESCWA Administrative Services Division.

The implementation of the following recommendations is expected to enhance accountability within the proposed governance framework.

**Recommendation 8**

**The executive heads of all United Nations system organizations represented at the four duty stations considered should ensure that, by the end of 2009, a quality control system should be organized and a client satisfaction survey system put in place for each common service supplemented with an evaluation conducted independently from the service provider.**

**Recommendation 9**

**The executive heads of all United Nations system organizations represented at the four duty stations considered should ensure that, by the end of 2010, the common governance committee would report to the heads of local representative offices of United Nations agencies on quality control mechanisms and on the results of the evaluations and the corrective actions stemming from their consideration.**

**A sense of common ownership, both organizational and individual**

121. The sense of ownership of participating organizations is both a symptom and a reason for the success of CS. It is even more important when there is a captive clientele, or a difference in size among partners. “Multilateral” participation, especially when symbolized by a rotating chairmanship of the common governance committee, ensures a certain level of influence in the management and on the concrete results achieved to each representation. Every member is entitled to make suggestions for identifying new CS, designing and monitoring feasibility studies or discussing methodology for costs recovery or quality control.

122. For example, when reviewing mail-related activities, Bangkok-based organizations established a Mail Working Group that extensively discussed practical aspects and conducted a request for proposal for the delivery of pouch and couriers services. The organizations involved (UNICEF, UNDP, FAO and ESCAP) provided inputs taken from their own experiences on the topic. Associating with possible future users is a condition sine qua non for the design of new CS.

123. A sense of ownership can only appear when each participant seeks fair common benefits. This requires transparency, especially toward staff. Implementation of some CS may involve organizational changes that might impact on staff welfare, workflows, and sometimes ultimately on job security. The Inspectors met with staff representatives that expressed a strong and legitimate demand for information and transparency in the management of CS.

## V. CONCLUSION: A STRATEGIC MOMENT FOR COMMON SERVICES

124. The Economic and Social Council has been conceived as an instrument aiming at harmonization and coordination among the United Nations system. The willingness to approach the diverse realities and needs of each region of the world resulted in the creation of five United Nations Regional Commissions. Each one evolved in its own direction and built an important infrastructure consisting of strong administrative services and buildings, and sometimes conference centres. Meanwhile, most funds and programmes, beginning with the UNDP mandated network, as well as some specialized agencies multiplied their national and regional representative offices at the country level, thereby increasing costly parallel administrative tasks at the expense of the Member States.

125. The authors of this note progressively realized that they had to assess whether and how these two historic and institutional movements could partially be reconciled through the improvement and development of CS in the four developing countries hosting a Regional Commission of the Economic and Social Council.

126. Such an endeavour may appear idealistic and will, for a time, remain fragile, but is now supported by a number of favourable elements, namely:

- A growing solidarity among local representative offices of United Nations organizations, who share the same security and safety risks, in the same political national context and in the face of the same economical, social and cultural tensions;
- A growing realization by the leaders of all entities of the United Nations system that a much more coherent action has to be undertaken in all duty stations in the developing countries, including where the United Nations Regional Commissions are located;
- A growing recognition that the scarcity of budgetary resources gives more importance to reorienting towards the substantive tasks the financial savings and the time gained by staff that are no longer obliged to spend on administrative services following the introduction of a common governance and proper management; and finally
- A sustained effort at the top of the United Nations system aimed at creating a powerful interaction among United Nations agencies thanks to institutions such as UNDG and its integration as a pillar of a revamped CEB.

127. The latter could be of critical importance to the issue presented in this note and this is why most of the above recommendations take advantage of a high-level common framework. Not surprisingly, a recurrent obstacle to local arrangements aimed at developing or implementing CS, as pointed out by a large number of providers or clients, including the Regional Commissions representatives, is the disparate variety of regulations, rules, procedures and practices of all kinds in the organizations of the United Nations system. Whether or not these differences are insurmountable or only perceived as such does not matter. At some stage, perceptions, in particular in the Headquarters concerned, may become an inhibiting factor.

128. In April 2008, CEB endorsed a multidimensional Plan of Action for the Harmonization of Business Practices in the United Nations System in a timely manner.<sup>31</sup> The Plan addresses the issue of CS and envisions a feasibility study for assessing the legitimacy of the establishment of Regional Inter-Agency Shared Services Centres. It also covers several other

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<sup>31</sup> See CEB/2008/HLCM/11.

aspects that could potentially affect CS implementation, such as the cost-recovery policy, the ERP, etc.

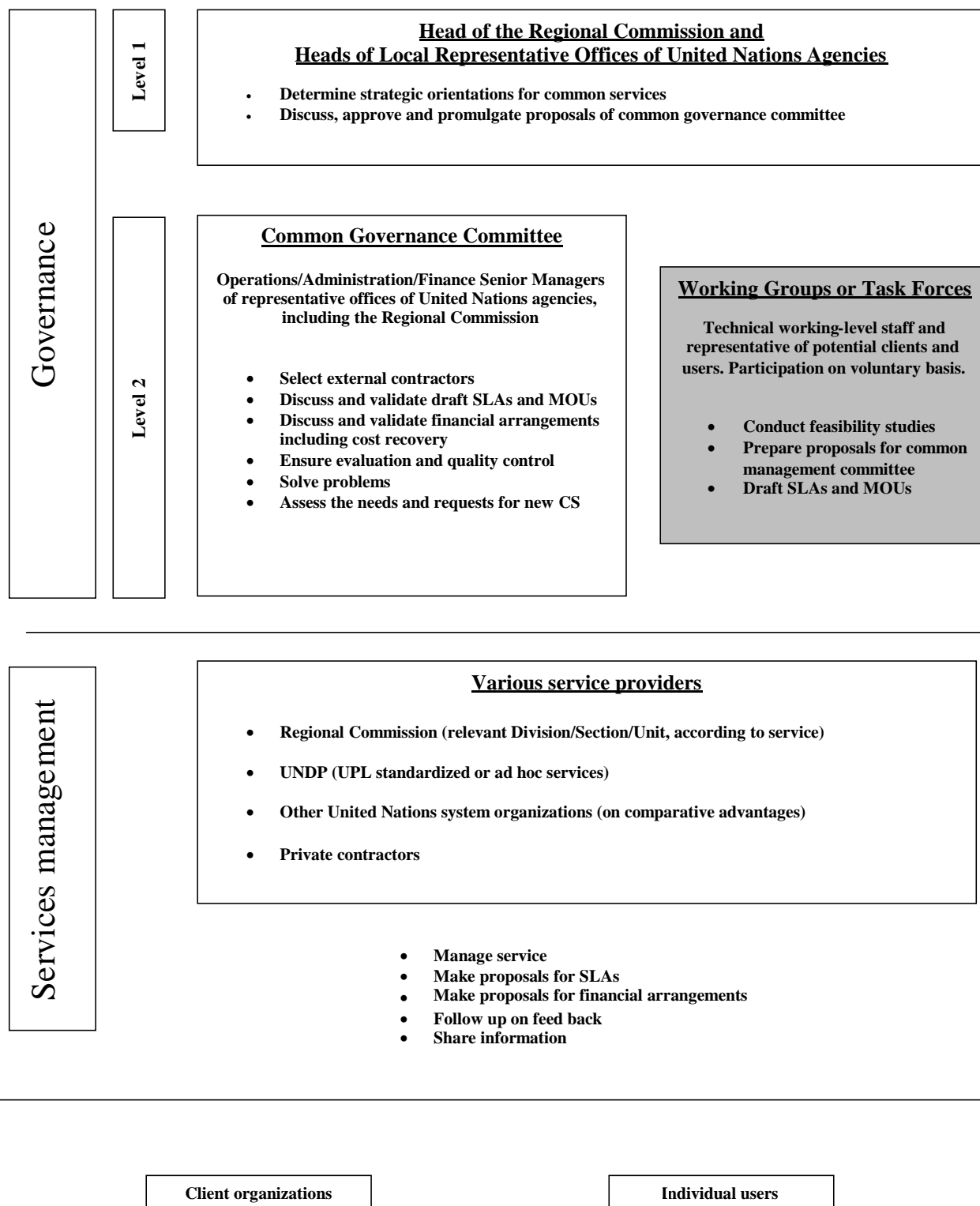
129. Since 2006, following the repeated pleas of UNGA, as contained in its most recent Triennial Comprehensive Policy Review (TCPR) resolution, another harmonization exercise is conducted by the United Nations and the “Excom” Agencies of UNDG in order to produce a draft set of common financial regulations and rules for the United Nations and the Funds and Programmes as sharing a common origin. The resulting document would then be shared with the specialized agencies for a similar process among themselves. The Inspectors strongly welcome such a difficult and sensitive undertaking. Once completed, this initiative will tremendously facilitate the development of CS in every country, including in the locations of Regional Commissions.

130. The improvement of such general conditions should not lead to overlooking the fact that, locally, economic, social, cultural and technological dimensions are major elements, especially when assessing the possibility of transferring experiences and good practices among duty stations. The Inspectors also observe that a better balance of powers in the location of a Regional Commission may result from the presence of more regional offices, something that happens more where the duty stations enjoy the status of natural regional infrastructure hubs.

131. The review of CS at these four locations goes beyond the issue of gains of efficiency or cost savings. At stake is the image of a unified and coherent United Nations system of collaborating and cooperating agencies, conscious of their commonality of values and the similarity of their administrative tasks in respect of the complementarities of their specific mandates. By supporting this trend, the Regional Commissions would give a vivid local demonstration of the original role of the Economic and Social Council as a harmonizing and coordinating tool in the United Nations system.

Annex I

RECOMMENDED COMMON GOVERNANCE FRAMEWORK (See Chapter II)



## Annex II

**REPRESENTATIVE OFFICES OF UNITED NATIONS AGENCIES IN LOCATIONS  
UNDER REVIEW**

**Addis Ababa (paragraphs 34 to 55)**

Inside common premises		Outside common premises	
	Type of office		Type of office
ECA	UN Regional Commission		
UNAIDS	Country	UNHCR	Regional
UNDP	Subregional & Country		
UNEP	Country		
OHCHR	Regional		
UNFPA	Country		
UNFPA/CST	Country		
UNOCHA	Country		
IFAD	Country	FAO	Representation AU & ECA
ILO	Subregional & Regional	ILO	Subregional & Regional
UNESCO	Country & IICBA Headquarters	ITU	Regional & Country
UNIDO	Regional	UNICEF	Country
WHO	Country & Representation AU & ECA	WFP	Country
		WHO	Country & Representation AU & ECA
UNMEE	Peacekeeping	(UNMEE)	Peacekeeping
Other	UNLO, UNSSCA, UNWA, Panel of experts – The Sudan, PANA.		

**Bangkok (paragraphs 56 to 71)**

Inside common premises		Outside common premises	
	Type of office		Type of office
ESCAP	UN Regional Commission		
UNAIDS	Regional		
UNAIDS	Country		
UNCCD	Regional		
UNDP	Regional		
UNDP	Country		
UNEP	Regional		
UNFPA&UNFPA/CST	Country		
UNHCR	Regional		
UNIFEM	Regional		
UNISDR	Regional		
UNOCHA	Regional		
UNODC	Regional		
UNOHCHR	Regional		
UNOPS	Regional		
ILO	Subregional & Regional	FAO	Regional
		ICAO	Regional
		UNESCO	Regional
		UNICEF	Regional
		UNICEF	Country
		UNIDO	Regional
		UPU	Regional
		WFP	Regional
		WHO	Country

**Beirut (paragraphs 72 to 85)**

Inside common premises		Outside common premises	
	Type of office		Type of office
ESCWA	UN Regional Commission		
OHCHR	Regional	UNDP*	Country & Subregional
		UNIFEM	Regional
		UNHCR	Regional
		UNRWA*	Field Office
		UNSCOL**	
UNIDO	Regional	ILO	Regional
		UNICEF	Country
		UNESCO	Regional

- \* Includes Liaison Offices for UNFPA and UNODC
- \*\* Office of the Personal Representative of the Secretary-General

**Santiago de Chile (paragraphs 86 to 96)**

Inside ECLAC premises		Outside ECLAC premises	
	Type of Office		Type of Office
ECLAC	UN Regional Commission	FAO	Regional
		ILO	Subregional
		ITU	Subregional
		PAHO/WHO	Regional
		UNDP*	Country
		UNESCO	Regional
		UNICEF	Country

\*Includes Liaison Offices for UNAIDS, UNFPA, UNHCR, UNIFEM, UNOHCHR and WFP



**Annex III**  
**Overview of action to be taken by participating organizations on JIU recommendations**  
**JIU/NOTE/2008/2**

		Intended impact	United Nations, its funds and programmes											Specialized agencies and IAEA													
			CEB	United Nations*	UNCTAD	UNODC	UNEP	UN-HABITAT	UNHCR	UNRWA	UNDP	UNFPA	UNICEF	WFP	UNAIDS	ILO	FAO	UNESCO	ICAO	WHO	UPU	ITU	WMO	IMO	WIPO	UNIDO	UNWTO
Note	For action	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Recommendation 1	c	E	E		E	E		E	E	E	E	E	E	E	E	E	E	E	E	E					E		
Recommendation 2	c	E	E		E	E		E	E	E	E	E	E	E	E	E	E	E	E	E					E		
Recommendation 3	e	E	E		E	E		E	E	E	E	E	E	E	E	E	E	E	E	E					E		
Recommendation 4	b	E	E		E	E		E	E	E	E	E	E	E	E	E	E	E	E	E					E		
Recommendation 5	g		E					E	E	E		E		E		E											
Recommendation 6	e	E	E																								
Recommendation 7	e		E		E	E		E	E	E	E	E	E	E	E	E	E	E	E	E					E		
Recommendation 8	a		E		E	E		E	E	E	E	E	E	E	E	E	E	E	E	E					E		
Recommendation 9	a		E		E	E		E	E	E	E	E	E	E	E	E	E	E	E	E					E		

**Legend:** L: Recommendation for decision by legislative organ  
E: Recommendation for action by executive head (including as members of United Nations System Chief Executives Board for Coordination)  
: Recommendation does not require action by this organization

**Intended impact:** a: enhanced accountability b: dissemination of best practices c: enhanced coordination and cooperation d: enhanced controls and compliance  
e: enhanced effectiveness f: significant financial savings g: enhanced efficiency o: other

\* Covers all entities listed in ST/SGB/2002/11 other than UNCTAD, UNODC, UNEP, UN-HABITAT, UNHCR, UNRWA.