# REVIEW OF AIR TRAVEL POLICIES IN THE UNITED NATIONS SYSTEM:

# Achieving efficiency gains and cost savings and enhancing harmonization

Prepared by

Aicha Afifi

Joint Inspection Unit

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#### **EXECUTIVE SUMMARY**

# Review of air travel policies in the United Nations system: achieving efficiency gains and cost savings and enhancing harmonization JIU/REP/2017/3

The review of air travel policies was undertaken following calls from the General Assembly to improve the management of air travel and the effective and efficient utilization of air travel resources, as a matter of urgency. Promoting the harmonization of air travel standards and the sharing of good practices across the United Nations system would contribute to achieving this goal. The present report builds upon previous reports of the Joint Inspection Unit (JIU) on air travel issued in 1995, 2004, 2010 and 2012 as well as a note issued in 2005.

Travel expenses are one of the largest budget components of the United Nations system organizations after staff costs. The main objective of this review was to assess relevant air travel policies, rules and practices and to examine their implementation across United Nations system organizations with a view to: enhancing the efficiency and effectiveness of travel management; increasing accountability and transparency among managers who approve travel, taking into account travellers' productivity, safety and security; promoting and increasing coordination and cooperation among organizations; and identifying good practices and lessons learned in order to promote, where possible, the harmonization of practices across the United Nations system.

The report addresses various aspects of air travel in the United Nations Secretariat, funds and programmes, the specialized agencies and the International Atomic Energy Agency, including: air travel and related expenditures; standards of accommodation for air travel; policies, practices and accountability in air travel management; air travel tools; collaboration with service providers; planning, monitoring and budget oversight in air travel management; measures to increase efficiency gains and cost savings; and harmonization among United Nations system organizations.

The review involved an analysis of documentation, questionnaire responses and interview notes gathered from the 26 participating organizations that responded to the JIU questionnaire (of whom 24 provided financial data) as well as United Nations oversight and coordinating bodies, United Nations staff councils, other international organizations, including the Bretton Woods institutions and a multilateral development bank, some delegates of Member States, selected multinational private sector companies, travel management companies, airline carriers and the International Air Transport Association.

A comprehensive accounting of the total cost of air travel could not be calculated, as some organizations submitted incomplete data or did not provide any of the requested data on air-travel-related expenditures and other travel-related elements. Some organizations that provided expenditure data could not provide disaggregated data on expenditures for staff and non-staff travel or details on the airfare class (first, business or economy). Additionally, the review includes an analysis only of expenditures for the four-year period from 2012 to 2015, as some organizations reported that, prior to 2012, they did not have adequate systems in place for travel management, such as enterprise resource planning systems. Several organizations did not submit complete responses to the requests for qualitative information made in the JIU questionnaire. JIU made several attempts to collect the outstanding data, to no avail. This lack of data limited the analysis that JIU was able to perform.

## Main findings, conclusions and recommendations

#### Cost of air travel and related expenses

On the basis of data provided by 24 United Nation system organizations, the review found that the overall expenditure on air travel and travel-related expenses — namely airline tickets, daily subsistence allowance (DSA), lump sums, terminal expenses and shipment — totalled approximately \$4 billion for the four-year period from 2012 to 2015. This total comprises regular budget and extrabudgetary funding sources and represents air travel and related expenditures for staff and non-staff, but it excludes air travel and related expenditures incurred by United Nations peacekeeping operations. Air travel and related expenditures, in their totality and as a proportion of each organization's overall expenses, constitute a significant financial element for almost all United Nations system organizations.

The total value of air travel and related expenditures would have been higher had all United Nations system organizations provided JIU with the requested information (see annex I). In this regard, the Inspector reiterates the request made by the General Assembly in its resolution 69/274 for the Secretary-General to provide complete and comprehensible data as the basis for sound management and effective oversight of all costs relating to air travel.

#### Standards of accommodation for air travel for staff and non-staff

Standards of accommodation for air travel are governed by policies, regulations and rules established by the legislative bodies of the United Nations system organizations. The two main types of official travel are business-related (mission) travel and statutory (entitlement) travel. The approved standards of accommodation for air travel are first class, business class and economy class. The criteria (professional grade level and duration of the travel) and thresholds for determining the applicable standards of accommodation vary among the organizations interviewed. The variations in the way each organization provides for high-ranking officials (see annex III), staff at the D-2 level and below (see annex IV) and non-staff (see annex V) are highlighted in the annexes referenced. While few organizations could provide a detailed cost breakdown for staff and non-staff travel, most officials interviewed indicated that staff travel comprised the largest share of travel expenditures.

According to the policies analysed, first class travel is only applicable for high-ranking officials, and only in certain organizations as shown in annex III, as well as for certain non-staff as shown in annex V. Seven organizations continue to apply first class for official business travel, while for statutory travel it has declined considerably since 2004 but remains in place in four organizations. The use of first class costs, on average, 33 per cent more per trip compared with business class. With major improvements in the comfort levels offered by business class, the Inspector recommends that the respective legislative bodies consider eliminating first class travel in their organizations (recommendation 2).

Considerable differences were also observed among the organizations in the application of criteria and thresholds for business class travel. The differences appear in the professional grade level of staff and the category of non-staff for whom business class is applicable and in the travel duration threshold above which business class is applicable for mission travel. Overall, for the organizations that provided trip data by fare class, business class accounted for 22 per cent of the total number of trips undertaken but represented 54 per cent of the total expenditure on air tickets. Business class tickets, on average, can also cost three times as much as economy class tickets. The Inspector is of the view that potential alternatives to business class travel, such as "premium economy" and other classes between economy and business, may be explored, given that these

alternatives provide considerably more comfort and benefits than standard economy class and cost significantly less than business class.

For economy class travel, the review found that the current policy followed in a number of organizations — whereby travel must be by the most economic route available, provided that it does not exceed the most direct route by four hours or more — can force staff to endure unnecessary layovers in order to save marginal amounts. This can leave staff more exposed in terms of safety and security and other risks. To address this, the Inspector recommends that legislative bodies request their executive heads of organizations that have yet to do so to establish a consistent percentage cost threshold below which the most direct route may be selected in lieu of the most economic route (recommendation 1).

In regard to non-staff categories — members of organs and subsidiary organs, representatives of Member States, consultants and individual contractors — the review found that the applicable standards of accommodation vary greatly among organizations. The review also found, on the basis of data from 16 organizations, that the number of categories of non-staff whose air travel is paid for by the organizations increased during the period from 2012 to 2015 and totalled \$1.35 billion for the four-year period. The Inspector is of the view that travel policies applicable to the non-staff category of travellers should be reviewed in order to ensure a consistent and harmonized application of standards of accommodation across the United Nations system. Additionally, the Secretary-General of the United Nations should modify and update the 1991 bulletin related to standards of accommodation for non-staff (ST/SGB/107/Rev.6) to include the new organs and subsidiary organs established since that date.

#### **Exceptions to the standards of accommodation**

An analysis of the information provided by organizations shows that the application of exceptions to the standards of accommodation is not a common practice across the United Nations system. However, in the 10-year period from 1 July 2006 to 30 June 2016, the United Nations Secretariat and its affiliated entities granted 3,147 exceptions, at a total additional cost of \$8.6 million, with significant increases in each biennium. Exceptions for "prominent persons" constituted 50 per cent of all additional costs, increasing from \$70,000 during the 2006-2008 biennium to \$2.62 million in the 2014-2016 biennium. To address this, the General Assembly may wish to clearly establish the standards of accommodation applicable for eminent and prominent persons in order to eliminate these cases as exceptions.

#### Improving policies and practices and strengthening accountability in air travel management

While 26 organizations have undertaken reforms and revisions of their travel policies (see annex VI) in recent years, these do not necessarily take into account new opportunities and challenges emerging in the air travel industry. In the United Nations Secretariat, travel policies are currently spread out over a variety of documents (bulletins, administrative instructions and memoranda), which impedes the comprehensive understanding and effective application of the policies. To address this, the Inspector recommends that the General Assembly request the Secretary-General to review resolutions and decisions governing standards of accommodation for air travel and submit proposals for updating and consolidating the texts, taking into account relevant developments in information systems and technology as well as in the air travel industry (recommendation 3).

A critical factor for the common understanding of and compliance with travel policies is their accessibility to all users. The Inspector therefore encourages executive heads to assess their training and communication strategies related to travel policies and to ensure that such policies

are well communicated, available and accessible to all staff and non-staff in a way that is user friendly and easy to understand.

While minimizing the amount of travel reduces costs, it is also in the interests of travellers' safety and security to limit travel to only when necessary. In this regard, the review highlights, as a good practice, the introduction of limits on the number of days per calendar year that staff members should travel on official business. The increased global security risk must be given due consideration, which is the reason why the Inspector is of the view that route safety should be monitored and assessed continuously and security updates communicated immediately to relevant offices authorizing and processing travel.

#### Modernizing air travel tools and strengthening collaboration with service providers

The review found that, while travel data become more available with the implementation of the travel module of enterprise resource planning systems, some organizations do not have operational systems of this nature for travel management and instead use other information technology systems. The Inspector is of the view that the executive heads should continue to streamline their enterprise resource planning systems with a view to reducing unnecessary customization and should take advantage of an integrated travel module.

Travel management companies and air carriers are key partners in managing an organization's travel. Organizations headquartered in New York, Rome and Vienna have benefited from negotiating preferred global airfare agreements, including discounted fares, directly with airlines or airline alliances. Thirteen Geneva-based organizations led by the United Nations Office at Geneva and the World Health Organization have utilized their consolidated purchasing power to negotiate corporate fare agreements with airlines and have achieved cost savings of CHF 20 million.

Other international organizations have successfully benefited from centralizing global air travel management under a single travel management company by introducing transparency in the company's costs, promoting universal compliance with travel policies, and taking advantage of globally negotiated airfares. The Inspector proposes that organizations should assess the potential costs and benefits of adopting a centralized approach to global travel management and should utilize a common travel management company when headquartered in the same duty station.

Assessing the performance of travel management companies is an integral part of travel management. In order to ensure that the right indicators are being measured and assessed, the Inspector outlines a number of key performance indicators identified by the organizations (see annex VII). To improve communication between organizations and travel management companies, the Inspector identifies good practices for replication, including the training of travel management companies by organizations on their air travel policies as well as close coordination between the two when revising existing travel policies.

#### Strengthening planning, monitoring and budget oversight in air travel management

Good planning is essential to ensuring the judicious use of travel funds — from drawing up budgets to reporting the utilization of travel resources. Planning air travel in advance offers many advantages, including the possibility to consolidate travel itineraries and to develop an organization-wide view of travel schedules in order to identify priority events. The review found that 21 organizations have adopted travel policies that stipulate fixed or suggested deadlines for advance travel requests, ranging from seven to 30 days (see annex VIII).

Advance purchasing of air tickets represents the greatest opportunity for savings, with discounts sometimes exceeding 50 per cent of the ticket price (see annex IX). However, only 15 participating organizations stipulate deadlines for the advance purchase of air tickets. Given the clear advantages, organizations that have not already implemented advance purchase policies for air travel should do so as a priority. The Inspector recommends that effective measures should be taken to enforce and monitor compliance with advance purchase policies, including the incorporation of advance planning rules and key performance indicators in travel policies that are regularly measured (recommendation 4). In relation to non-staff travel, the report also expresses the view that Member States should also adhere to established deadlines for submitting information about participants in meetings and conferences.

A prerequisite for the sound management and effective oversight of all costs relating to air travel is to have comprehensive consolidated data on the air travel budget under all sources of funding and to integrate travel into programme budget development. The Inspector is of the view that executive heads should assess the feasibility of setting an annual ceiling on travel expenditures, so as to exercise effective control and achieve cost savings.

Regular audits of travel are useful to assess whether results are being achieved in accordance with organizational policies, regulations, and rules. The review found that, in 15 organizations, internal audits and/or external audits of air travel had been conducted since 2008, while five organizations had not been audited in the past decade. In this regard, the Inspector recommends that the executive heads should schedule periodic monitoring and assessment to ensure conformity with their own air travel policies, conduct periodic risk assessments and identify measures for further efficiency gains by their next budgetary cycle (recommendation 5).

## Measures to increase efficiency gains and cost savings

It is commendable that some organizations have explored and implemented alternatives to travel to potentially reduce air-travel-related costs. The increased use of videoconferencing technology and "e-meeting" facilities are the alternatives to travel that have been utilized most successfully. To reduce travel trips and costs, the review suggests replicating good practices, including the increased use of videoconferencing and similar technologies, limiting the number of staff travelling to participate in official meetings, and enforcing organizational representation in such meetings by staff based in the same duty station or region as the meeting venue.

To potentially reduce air travel and related costs, the review highlights the replication of useful measures, including providing an option for self-ticketing, allowing for the purchase of non-refundable tickets, utilizing off-shore travel agents and low-cost airlines and extending the use of the lump-sum scheme (see annex X) to all categories of entitlement travel, where appropriate. It also recommends encouraging the use of online booking tools and considering integrating them with existing information systems (recommendation 6).

#### Harmonization among the United Nations system organizations

The General Assembly has repeatedly stressed the importance of effective coordination among United Nations system entities to harmonize standards and practices with regard to acquiring air travel services and has called upon the Secretary-General as the Chair of the United Nations System Chief Executives Board for Coordination (CEB) to promote the sharing of best practices with respect to air travel. In this regard, the present review concludes by highlighting the legislative mandate for harmonization and the reports and reviews published over the past two decades addressing harmonization. It also highlights steps and measures that can be taken through

the CEB, the International Civil Service Commission (ICSC) and the Inter-Agency Travel Network to further harmonization.

With respect to standards of accommodation, while the present review found a significant level of harmonization between the travel policies of the United Nations and those of its affiliated entities, such as funds and programmes, the situation is more varied among specialized agencies. The latter have pointed to the diversity and variation in mandates, rules, policies, practices, operating procedures, business models and funding structures and to the unnecessary or overcustomization of the travel module of the enterprise resource planning systems as constraints to system-wide harmonization in air travel management.

Such discrepancies in the applicable standards of accommodation weaken coherence and harmonization in the United Nations common system. To address these disparities, the Inspector recommends that the Secretary-General, as the Chair of the CEB, should review measures to promote the harmonization of standards of accommodation for air travel applied across the United Nations system organizations, as well as expenses related to air travel for both mission and statutory travel, and should report on the results to the General Assembly (recommendation 7).

In the current situation, it is likely for staff working for different organizations in the United Nations system but located in the same duty station to receive different home leave entitlement amounts for travel to the same destination on the same dates. To address this, the Inspector recommends that the General Assembly should request ICSC to undertake a system-wide review of lump-sum entitlements for statutory travel, so as to establish a common methodology and percentage for calculation (recommendation 8). The Inspector is also of the view that steps should be taken to further harmonize the payment process for DSA (see annex XI), eliminate stopovers (see annex XII), and ensure the provision of adequate rest periods during mission travel.

Finally, the Inspector believes that there is room for further formal practice sharing and coordination on air travel management and recommends that the Secretary-General, as the CEB Chair, should submit a proposal on the feasibility of establishing a formal advisory committee on travel matters, for the consideration of the General Assembly (recommendation 9).

#### Recommendations

#### **Recommendation 1**

The legislative bodies of the United Nations system organizations should request their executive heads, who have yet to do so, to establish by 2019 a consistent percentage cost threshold below which the most direct route may be selected in lieu of the most economic route, taking into account the time thresholds established in each organization's travel policy for the selection of the most economic routes.

#### Recommendation 2

The legislative bodies of all United Nations system organizations, if they have not already done so, should abolish first class travel for all categories of staff and non-staff by January 2019 and permit its use only when business class is not available.

#### Recommendation 3

The General Assembly should request the Secretary-General to review Assembly resolutions 42/214, 45/248A and 53/214 and decisions 40/555 and 57/589 governing the standards of accommodation for air travel and to submit proposals by 2019 for updating

and consolidating the policies, taking into consideration developments in information systems and technology, the air travel industry, as well as good practices in other United Nations system organizations.

#### **Recommendation 4**

The executive heads of the United Nations system organizations, that have not yet done so, should ensure by 2019 that effective measures are taken to enforce and monitor compliance with an advance purchase policy, including incorporation of advance planning rules and key performance indicators in travel policies that are regularly measured.

#### **Recommendation 5**

The executive heads of United Nations system organizations should schedule periodic monitoring and assessment to ensure conformity with their own air travel policies, conduct periodic risk assessments and identify measures for further efficiency gains by their next budgetary cycle.

#### **Recommendation 6**

The executive heads of the United Nations system organizations, if they have not already done so, should encourage the use of online booking tools for air travel, update their travel policies with guidelines for optimal use of such tools, and consider integrating them with their existing systems by 2020.

#### **Recommendation 7**

The General Assembly should request the Secretary-General, in his capacity as the Chair of the United Nations System Chief Executives Board for Coordination, to review measures to promote the harmonization of standards of accommodation for air travel applied across the United Nations system organizations, as well as expenses related to air travel for both mission and statutory travel, and to report on the results to the General Assembly during the first part of its seventy-third resumed session.

#### **Recommendation 8**

The General Assembly should request the International Civil Service Commission to undertake a system-wide review of lump-sum entitlements for statutory travel focused on determining by 2019 a common methodology and percentage for its calculation that furthers harmonization, minimizes the risk of distortion and ensures equity and fairness among common system staff.

#### **Recommendation 9**

The General Assembly should request the Secretary-General, in his capacity as the Chair of the United Nations System Chief Executives Board for Coordination, to submit a proposal on the feasibility of establishing a formal advisory committee on travel matters, for the consideration of the General Assembly during the first part of its seventy-third resumed session.

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#### ABBREVIATIONS AND ACRONYMS

CEB United Nations System Chief Executives Board for Coordination

ECE Economic Commission for Europe

FAO Food and Agriculture Organization of the United Nations

IAEA International Atomic Energy Agency
IATA International Air Transport Association

IATN Inter-Agency Travel Network

ICAO International Civil Aviation Organization ICSC International Civil Service Commission IADB Inter-American Development Bank

IFAD International Fund for Agricultural Development

ILO International Labour Organization
 IMO International Maritime Organization
 IOM International Organization for Migration

ITC International Trade Centre

ITU International Telecommunication Union

JIU Joint Inspection Unit

OECD Organisation for Economic Co-operation and Development

OIOS Office of Internal Oversight Services

TGF The Global Fund to Fight AIDS, Tuberculosis and Malaria

UNAIDS Joint United Nations Programme on HIV/AIDS

UNCTAD United Nations Conference on Trade and Development

UNDP United Nations Development Programme
UNEP United Nations Environment Programme

UNESCO United Nations Educational, Scientific and Cultural Organization

UNFPA United Nations Population Fund

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

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 UN-Women United Nations Entity for Gender Equality and the Empowerment of Women

UNWTO World Tourism Organization
UPU Universal Postal Union
WFP World Food Programme
WHO World Health Organization

WIPO World Intellectual Property Organization WMO World Meteorological Organization

#### I. INTRODUCTION

### A. Background

- 1. The topic of air travel was included in the 2016 programme of work of the Joint Inspection Unit (JIU) following a suggestion by the World Food Programme (WFP). For many years, the legislative bodies in particular the General Assembly have repeatedly stressed the need for effective and efficient utilization of resources for air travel, limiting exceptions to the approved standards for air travel through strong monitoring and compliance with policies and rules governing travel activities, improving and modernizing working methods and tools including the best use of information and communications technology (ICT) —, strengthening coordination, cooperation and knowledge-sharing within the United Nations system, and promoting harmonization of standards for air travel throughout the United Nations system.
- 2. The United Nations system organizations with worldwide membership, offices and diverse programmes have a natural need for travel as an essential means to fulfil their mandates. However, the judicious use of resources must be guaranteed to ensure that travel expenditures are kept to the minimum commensurate with requirements. Because of the costs to the organizations, Member States have been concerned about air travel expenses and about the coordination and harmonization of travel practices and have requested that organizations exercise tight control over their travel expenditures. While cost considerations are pertinent in the light of the recent financial crisis affecting most countries' economies, any measures taken in this regard should continue to ensure the health and safety of travelling staff and their capacity to perform their duty in an effective and efficient manner through the provision of adequate standards of accommodation.
- 3. Several studies and reviews on travel have been undertaken over the years by some United Nations system organizations and oversight bodies, including JIU. Previous JIU travel reviews focused on certain aspects of specific organizations, such as the United Nations Secretariat and the World Health Organization (WHO),<sup>2</sup> the Food and Agriculture Organization (FAO)<sup>3</sup> and the United Nations Educational Scientific and Culture Organization (UNESCO),<sup>4</sup> or specific system-wide issues, such as first class travel<sup>5</sup>, official travel,<sup>6</sup> issues of efficiency and cost savings<sup>7</sup>, harmonization of the conditions of travel,<sup>8</sup> review of travel arrangements<sup>9</sup> and lump-sum payments.<sup>10</sup>
- 4. Effective and efficient utilization of resources for air travel across the United Nations system requires a change of culture starting with executive heads and senior managers for greater accountability, coordination and transparency, as well as innovation to modernize and improve business practices.

<sup>&</sup>lt;sup>1</sup> See General Assembly resolutions 60/255, sect. IV; 62/238, sect. XV; 63/268, sect. II; and 65/268, sect. IV.

<sup>&</sup>lt;sup>2</sup> JIU/REP/74/3.

<sup>&</sup>lt;sup>3</sup> JIU/REP/75/1.

<sup>&</sup>lt;sup>4</sup> JIU/REP/76/2.

<sup>&</sup>lt;sup>5</sup> JIU/REP/77/3.

<sup>&</sup>lt;sup>6</sup> JIU/REP/82/7.

<sup>&</sup>lt;sup>7</sup> JIU/REP/95/10.

<sup>&</sup>lt;sup>8</sup> JIU/REP/2004/10.

<sup>&</sup>lt;sup>9</sup> JIU/REP/2010/2.

<sup>&</sup>lt;sup>10</sup> JIU/REP/2012/9.

5. Travel accounts for one of the largest budget components of the United Nations system organizations after staff costs. 11 For the organizations that responded to the JIU questionnaires and provided financial information, 12 the overall expenditures from 2012-2015 amounted to approximately \$4.01 billion for all categories of official travel for staff and non-staff members. This figure would be higher if all the surveyed United Nations system organizations had provided JIU with comprehensive data.

#### **B.** Review objective

- 6. The objective of the present report was to review and assess relevant air travel regulations, policies and practices and examine their implementation across the United Nations system organizations with a view to:
  - Enhancing efficiency and effectiveness of travel management among JIU participating organizations
  - Increasing accountability and transparency for managers who approve travel, taking into account the productivity, safety and security of travellers
  - Promoting and increasing coordination and cooperation among the United Nations system organizations
  - Identifying good practices and lessons learned with a view to promoting, where possible, an appropriate degree of harmonization.

# C. Scope

- 7. The current review covers the following aspects of air travel in the United Nations Secretariat, the funds and programmes, the specialized agencies and the International Atomic Energy Agency (IAEA): air travel and related expenditures; standards of accommodation; policies and practices governing air travel; accountability, monitoring and oversight; advance planning, booking and purchasing; alternatives to air travel; air travel tools; relations with travel management companies and airline carriers; cost-saving measures; and system-wide harmonization.
- 8. Given the broad scope of air travel within the United Nations system, the current review differs in its coverage, complexity and comprehensiveness from previous JIU work in this area. The Inspector does not intend to propose a "one size fits all" model but rather aims to identify lessons learned and good practices to be replicated across the United Nations system in a consistent and results-oriented framework, while strengthening coordination and cooperation and enhancing harmonization, where applicable.
- 9. Peacekeeping operations and special political missions were not covered in the present review due to time constraints and a lack of financial resources.

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<sup>&</sup>lt;sup>11</sup> JIU/REP/2010/2, para. 2.

<sup>&</sup>lt;sup>12</sup>FAO, the International Civil Aviation Organization (ICAO), the International Atomic Energy Agency (IAEA), the International Labour Organization (ILO), the International Maritime Organization (IMO), the International Trade Centre (ITC), the International Telecommunication Union (ITU), United Nations Headquarters and offices away from Headquarters, the United Nations Entity for Gender Equality and the Empowerment of Women (UNWomen), the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Development Programme (UNDP), UNESCO, the United Nations Population Fund (UNFPA), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children's Fund (UNICEF), the United Nations Industrial Development Organization (UNIDO), the United Nations Office on Drugs and Crime (UNODC), the United Nations Office for Project Services (UNOPS), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the Universal Postal Union (UPU), the World Tourism Organization (UNWTO), WFP, WHO and the World Intellectual Property Organization (WIPO).

# D. Limitations and challenges

10. A comprehensive accounting of the total cost of air travel could not be provided, as some organizations submitted either partial or no data on air-travel-related expenditures and exceptions granted. Some organizations were also unable to provide disaggregated data on expenditures for staff and non-staff travel and on air tickets by fare class (first, business or economy). Additionally, the report only accounts for expenditures in the four-year period from 2012 to 2015, as some organizations reported that they did not have operational enterprise resource planning systems for travel management. Several organizations also provided insufficient responses to requests for qualitative information as requested through the JIU corporate questionnaire.

#### E. Methodology

- 11. The review of air travel policies was conducted from February 2016 to May 2017. In accordance with JIU norms, standards and guidelines and its internal working procedures, the methodology followed in preparing the report included extensive desk review, quantitative and qualitative analysis of data from documentation received/collected, questionnaire responses and interview notes, including triangulation and validation of information obtained.
- 12. The views of 26 out of 28 participating organizations<sup>14</sup> that responded to the JIU corporate questionnaire were captured, followed-up by interviews at headquarters in Geneva, New York, Washington D.C., Rome, Paris, Brussels, and Vienna. Interviews were conducted with travel managers, staff representatives, various other units, officials from oversight and coordinating bodies, the Joint Medical Service and delegates from two Member States and the European Union.<sup>15</sup>
- 13. Interviews were also conducted with representatives from other international organizations including the World Bank Group, the International Monetary Fund, the Inter-American Development Bank, the International Organization for Migration, GAVI Alliance, the Organization for Economic Cooperation and Development and The Global Fund. Additionally, three private sector companies (Nestlé, Proctor and Gamble and Japan Tobacco International), the Lufthansa Group, the International Air Transport Association (IATA), and two travel management companies (American Express and Carlson Wagonlit Travel) were interviewed. Follow-up questions were sent after the interviews to some entities. Teleconferences were conducted to minimize the number of trips.
- 14. Information and views received via questionnaire responses and interviews have been dealt with in accordance with the usual respect for confidentiality shown by JIU. The report primarily reflects aggregated responses, and, where quotations are given for illustrative purposes, the source(s) are never cited.
- 15. Pursuant to article 11 (2) of the JIU Statute, an internal peer review procedure was used to solicit the collective wisdom of JIU Inspectors before the finalization of the report. The draft report was also circulated to the participating organizations for correction of factual errors and comments on the findings, conclusions and recommendations. The report contains nine recommendations. Three are addressed to

<sup>&</sup>lt;sup>13</sup> Furthermore, according to JIU/REP/2012/8, up until 2012 many organizations had not complied with the International Public Sector Accounting Standards, which would have allowed for the provision of the required airtravel-related information.

<sup>&</sup>lt;sup>14</sup> The World Meteorological Organization (WMO) and the United Nations Human Settlements Programme (UN-Habitat) did not respond to the JIU corporate questionnaire.

<sup>&</sup>lt;sup>15</sup> Questionnaires were sent to the secretariat of the Group of 77 and China (New York) and the coordinator of the Geneva Group (comprising 18 countries) but were not responded to.

the executive heads and six to the legislative bodies of the participating organizations, including the General Assembly.

- 16. To facilitate the handling of the report and the implementation of its recommendations and monitoring thereof, annex XIII contains a table indicating whether the report was submitted to the relevant organizations for action or for information. The table specifies whether the recommendations require action by the organizations' legislative body or executive head.
- 17. The Inspector wishes to express her appreciation to all the officials of the United Nations system organizations and representatives of other organizations who assisted in the preparation of the report, particularly those who participated in the interviews and so willingly shared their knowledge and expertise.

# II. TOTAL EXPENDITURE ON AIR TRAVEL AND RELATED EXPENSES IN THE UNITED NATIONS SYSTEM

18. The United Nations system is one of the largest consumers of travel services among international organizations, due to the global presence of its offices and programmes. Travel expenditures constitute a significant share of the operating expenses for each United Nations organization and have increased over the past decade, despite savings efforts and the use of new technologies. This chapter provides information on the trends in these expenditures in United Nations organizations that responded to the JIU questionnaire on this issue.

#### A. Trends in air travel and related expenditures by organization

Table 1. Expenditures for air travel and related expenses relative to total organizational expenditure from 2012 to 2015 (millions of United States dollars)

(regular budget and extrabudgetary)

(regular budget and extrabudgetary)					
Entity	Total air travel and related expenditure - staff and non- staff*	Total air travel and related expenditure – staff	Total air travel and related expenditure - non-staff	Total expenses by organization	Total air travel and related expenditure as a percentage of total expenses by organization
FAO	460.15	142.52	317.63	5 188.14	8.87%
ICAO	52.00	-	-	886.16	5.87%
IAEA <sup>a</sup>	282.58	108.61	173.96	2 346.87	12.04%
ILO	118.17	96.44	21.72	2 624.14	4.50%
IMO <sup>a</sup>	12.64	7.39	5.24	294.86	4.29%
ITC <sup>a</sup>	17.04	9.49	7.55	360.10	4.73%
ITU <sup>a</sup>	32.84	24.94	15.58	808.29	4.06%
United Nations Headquarters and offices away from Headquarters	310.94		-	19 272.90	1.61%
UN-Women	23.15	11.74	11.41	849.61	2.73%
UNAIDS	40.84	26.97	13.86	1 164.77	3.51%
UNDP <sup>a</sup>	93.26	-	-	20 860.60	0.45%
UNESCO	69.39	50.62	18.76	3 184.69	2.18%
UNFPA <sup>a</sup>	316.49	-	-	3 703.54	8.55%
UNHCR	223.26	214.26	8.99	11 649.48	1.92%
UNICEF <sup>a</sup>	555.60	452.90	102.70	17 313.32	3.21%
UNIDO <sup>a</sup>	74.85	23.65	30.07	1 110.25	6.74%
UNODC	16.05	-	-	1 127.59	1.42%
UNOPS	102.59	-	-	4 930.7	2.08%
UNRWA	10.93	-	-	4 009.40	0.27%
UPU <sup>a</sup>	4.51	3.55	0.96	292.53	1.54%
UNWTO <sup>a</sup>	5.88	-	-	99.82	5.89%
WFP <sup>a</sup>	392.89	192.54	200.34	19 107.95	2.06%
WHO	721.05	334.69	386.35	14 399.54	5.01%
WIPO <sup>a</sup>	78.80	39.92	38.88	1 411.46	5.58%
Total	4 015.90	1 740.23	1 354.00	136 996.71	2.93%

Sources: Responses to JIU questionnaire (air travel expenditure); A/71/583 and A/69/305 (total expenses).

<sup>&</sup>lt;sup>a</sup> See footnotes in annex I for specifics about reporting on air-travel-related expenditure for each indicated entity.

19. As can be seen from table 1, the data on air travel and related expenses (tickets, daily subsistence allowance (DSA), lump sum, terminal expenses and shipment) provided by 24 organizations show that expenditures incurred during the four-year period from 2012-2015<sup>16</sup> totalled \$4.01 billion. This includes regular budget and extrabudgetary air travel resources for staff and non-staff in all 24 organizations with certain exceptions.<sup>17</sup> The overall figure would have been higher if all United Nations system entities had provided information related to their air travel expenditures.<sup>18</sup> Annex I provides a breakdown of total expenditures by organization for each year from 2012 to 2015. Due consideration must be given to the mandate of each organization and the particularities of their programme delivery requirements, as well as the safety, security and well-being of staff who are required to travel as part of their official duties.

20. The 24 organizations are categorized into five groups on the basis of their reported total annual expenditures on air travel, as summarized in table 2 below.

Table 2. Expenditure on air travel and related expenses for each year from 2012 to 2015

	Tubic 2. Emperiorate on all travel and related emperiors for each year from 2012 to 2016			
\$88 million-\$226	FAO, UNICEF, WHO, WFP			
million				
\$55 million-\$83	IAEA, UNFPA, UNHCR, United Nations Headquarters and offices away			
million	from Headquarters			
\$15 million-\$35	ILO, UNDP, UNESCO, UNIDO, UNOPS, WIPO			
million				
\$6 million-\$13	ICAO, ITU, UN-Women, UNAIDS			
million				
\$0.9 million-\$4	IMO, ITC, UNODC, UNRWA, UNWTO, UPU			
million				

21. Figures I to V show the overall expenditures for air travel and related expenses over the four-year period in each of the 24 organizations. These are not an analysis of the efficiency and effectiveness of the utilization of travel resources. The Inspector recognizes that the amount of travel required depends on each organization's mission and mandate and on its size and specific requirements.

<sup>16</sup> The period from 2012 to 2015 was selected because, prior to 2012, many organizations did not have operational enterprise resource planning systems for travel management to provide the requisite data and, additionally, were not compliant with International Public Sector Accounting Standards.

<sup>17</sup> Exceptions in reporting air travel and related expenditure: (a) ICAO did not report non-staff travel expenditure; (b) ITC provided expenditure for air tickets only on the basis of data extracted from the travel agency system and did not include refunded tickets or exchanged tickets; (c) United Nations Headquarters provided expenditure for air tickets only; (d) UN-Women did not report travel expenditures for 2012; figures reflect the organization's full expenditure on travel as derived from all funding sources, including regular (core) resources, other (non-core) resources, extra-budgetary resources, and regular budget resources; (e) UNDP reported expenditure for all forms of travel; (f) UNFPA reported travel expenditures as included in its financial statements, covering programmatic and managerial purposes, from all sources of funding and by all forms of transport; travel related to staff entitlements were excluded from these figures; (g) UNICEF reported non-staff travel expenditures including all modes of transport (air, ground, water); (h) UNWTO did not report non-staff travel expenditures for 2014 and 2015; (i) WFP reported expenditure for all modes of transport. While approximately 70 per cent of all trips are undertaken by road in WFP vehicles, air travel and related expenditure nonetheless constitutes the majority of total travel expenditure in WFP (e.g. 65 per cent in 2016).

<sup>18</sup> WMO did not provide travel related expenditures. For the United Nations Environment Programme (UNEP) and UN-Habitat, only partial data pertaining mainly to travel to/from their headquarters is available. For the United Nations Secretariat, apart from United Nations Headquarters, UNOG, UNON and UNOV, data is missing for all other entities, including the Economic Commission for Africa, the Economic Commission for Latin America and the Caribbean, the Economic and Social Commission for Asia and the Pacific, the Economic and Social Commission for Western Asia, the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia, United Nations University and United Nations Volunteers.

22. In the first category (figure I), which includes the four organizations with the highest annual airtravel-related expenditures, expenses increased by 56 per cent in WHO, 19 per cent in the United Nations Children's Fund (UNICEF) and 27 per cent in WFP from 2012 to 2015, with a steady year-on-year increase. In FAO, expenditures remained generally stagnant in nominal terms over the four-year period and marginally declined by 2.4 per cent over the same period.

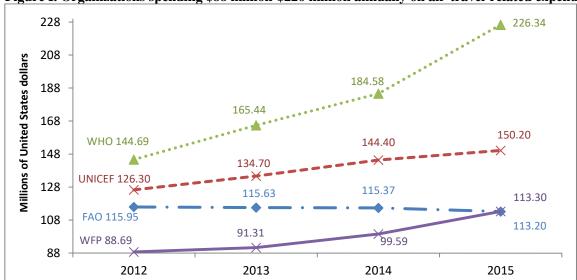


Figure I. Organizations spending \$88 million-\$226 million annually on air-travel-related expenditure

Source: Responses to JIU questionnaire provided by organizations.

23. For the second category (figure II), which includes the four organizations with annual air-travel-related expenditures ranging from \$53 million to \$83 million, the total air-travel-related expenditures from 2012 to 2015 declined in the United Nations Population Fund (UNFPA) (12.2 per cent) and United Nations Headquarters and offices away from Headquarters (10.7 per cent) and increased marginally in IAEA (1.6 per cent) and the Office of the United Nations High Commissioner for Refugees (UNHCR) (5.3 per cent). Nonetheless, there were year-on-year fluctuations in all organizations except United Nations Headquarters and offices away from Headquarters, where expenditures progressively declined.

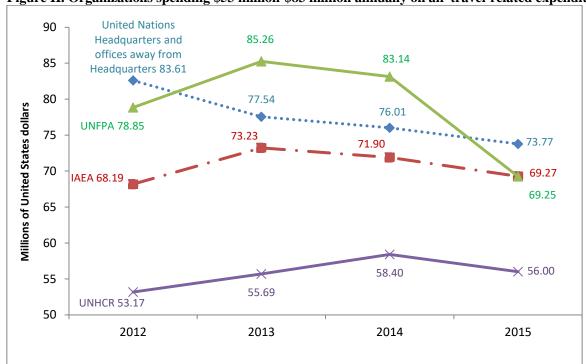


Figure II. Organizations spending \$53 million-\$83 million annually on air-travel-related expenditure

Source: Responses to JIU questionnaire provided by organizations.

24. In the third group (figure III), which includes six organizations with annual air-travel-related expenditures ranging from \$15 million to \$35 million, when comparing expenditures in 2012 to those in 2015, the United Nations Office for Project Services (UNOPS) experienced a major increase (85.1 per cent), while the United Nations Development Programme (UNDP) and the United Nations Industrial Development Organization (UNIDO) experienced a significant decrease (23.3 per cent and 9.7 per cent respectively). In UNESCO, expenditures fell by 11.4 per cent between 2013 and 2015. While expenditures in the International Labour Organization (ILO) and the World Intellectual Property Organization (WIPO) changed marginally from 2012 to 2015 (up 4.9 per cent and down 1.5 per cent, respectively), this masks considerable year-on-year fluctuations. For instance, in ILO expenses increased by 15.6 per cent between 2012 and 2013 and fell by 16.7 per cent in the following year. Similarly, in WIPO, expenses rose by 12.5 per cent from 2012 to 2013 and subsequently fell by 18 per cent from 2013 to 2014.

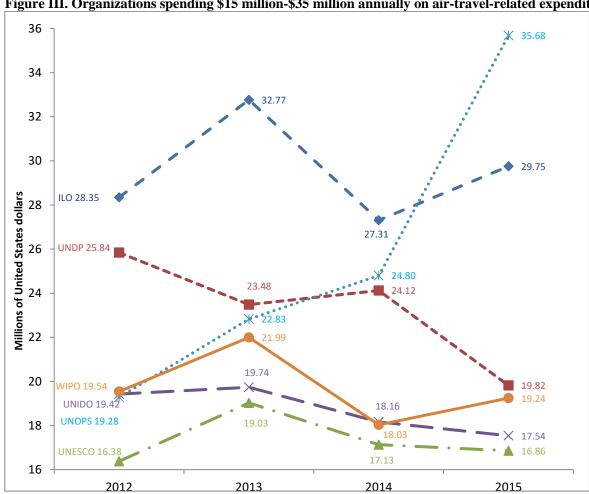


Figure III. Organizations spending \$15 million-\$35 million annually on air-travel-related expenditure

Source: Responses to JIU questionnaire provided by organizations.

25. In the fourth category (figure IV), which includes four organizations with annual air-travel-related expenditures ranging from \$6 million to \$13 million, when comparing expenditures in 2012 with those in 2015, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women)<sup>19</sup> and the Joint United Nations Programme on HIV/AIDS (UNAIDS) experienced a notable increase (27.6 per cent and 9.1 per cent respectively), the International Telecommunication Union (ITU) experienced a considerable decrease (27.6 per cent), while the International Civil Aviation Organization (ICAO) remained generally stable (1.5 per cent) with marginal year-on-year fluctuations.

<sup>19</sup> No data available for UN-Women for 2012.

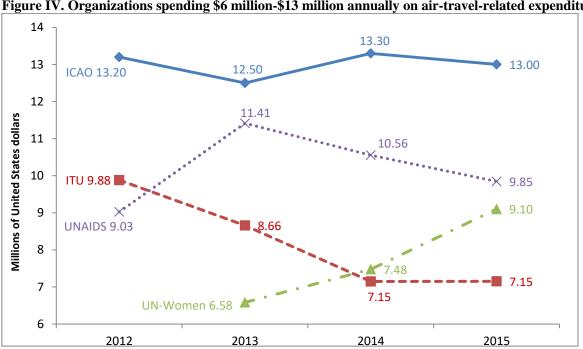


Figure IV. Organizations spending \$6 million-\$13 million annually on air-travel-related expenditure

Source: Responses to JIU questionnaire provided by organizations.

26. For the final category (figure V), which includes the six organizations that spent the least annually (under \$4.5 million) on air travel, when comparing expenditures in 2012 to those in 2015, only UPU experienced a major increase (62 per cent), while the increase was more moderate in four others: the United Nations Office on Drugs and Crime (UNODC) (15.6 per cent), the International Trade Centre (ITC) (12.5 per cent), the World Tourism Organization (UNWTO) (10.8 per cent) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) (7.8 per cent). In IMO, expenditure declined by one fifth (19.8 per cent) during the same period.

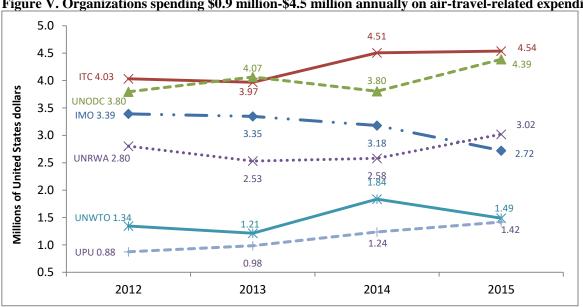


Figure V. Organizations spending \$0.9 million-\$4.5 million annually on air-travel-related expenditure

Source: Responses to JIU questionnaire provided by organizations.

# B. Cost of air travel compared to total expenditure by organization

27. For the 24 organizations with available data, total air travel and related expenditures as a percentage of an organization's total expenditures for the period 2012-2015 (figure VI) exceed 10 per cent only in IAEA (12 per cent).<sup>20</sup> For every \$100 dollars spent, air-travel-related expenses account for less than \$2 in five entities<sup>21</sup> (UNDP, UNHCR, UNODC, UNRWA and UPU), between \$2 and \$5 in 10 entities (ILO, IMO, ITC, ITU, UNAIDS, UNESCO, UNICEF, UNOPS, UN-Women and WFP) and between \$5 and \$9 dollars in seven entities (FAO, ICAO, UNFPA, UNIDO, UNWTO, WHO and WIPO).

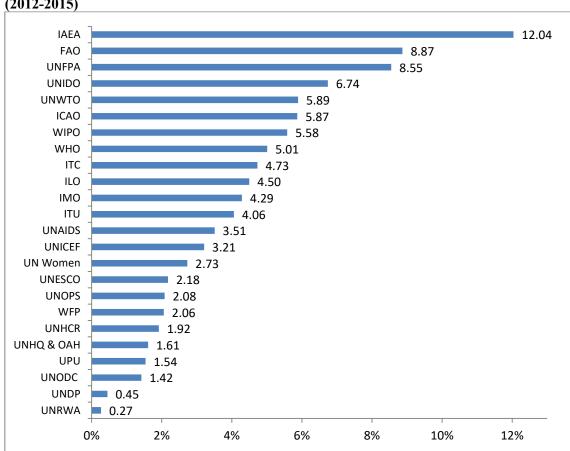


Figure VI. Air-travel-related expenditure as a percentage of each organization's total expenses (2012-2015)

Sources: Responses to JIU questionnaire (air travel expenditure); A/71/583, table 3 (total expenses 2014-2015), A/69/305, table 3 (total expenses 2012-2013).

*Note*: Total expenses for each organization by five major programme categories: development assistance; humanitarian assistance; peacekeeping (Department of Peacekeeping Operations); technical cooperation; and normative, treaty-related and knowledge-creation activities.

<sup>&</sup>lt;sup>20</sup> As a headquarters-based organization, non-staff account for 62 per cent of the travel-related expenditure in IAEA, mostly related to the delivery of technical cooperation.

<sup>&</sup>lt;sup>21</sup> The real percentage for the United Nations Secretariat is higher than what is stated in the table, as air-travel-related expenditures for other United Nations Secretariat entities beyond United Nations Headquarters and offices away from Headquarters are not available.

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- 28. The picture that emerges is that with the possible exception of UNRWA air travel and related expenses, both in their totality and as a proportion of each organization's overall expenditures, constitutes a significant financial outlay for all other United Nations system organizations. With over \$4.01 billion spent in four years, and in a period of increasing austerity, there is a clear justification for carefully assessing air travel rules, regulations and policies, such as the standards of accommodation that each entity is currently applying for air travel, in order to determine whether and how greater cost effectiveness and efficiency can be achieved.
- 29. While noting the limitations of the current information systems of some organizations, the Inspector regrets that greater efforts were not made to respond fully to the JIU corporate questionnaire, which would have allowed for better identification of lost savings and opportunities for efficiency gains, as well as of the challenges that have had an impact on the effectiveness of air travel management. In this regard, the Inspector reiterates the repeated requests of the General Assembly for the organizations to provide comprehensive data as the basis for sound management and effective oversight of all costs relating to air travel.<sup>22</sup>

<sup>&</sup>lt;sup>22</sup> See General Assembly resolutions 42/214, 45/248 A, 63/268, 65/268, 67/254 and 69/274; Assembly decision 57/589; and Advisory Committee on Administrative and Budgetary Questions reports A/59/573, A/63/715, A/65/632, A/67/636, A/69/787 and A/71/822.

# III. STANDARDS OF ACCOMMODATION FOR AIR TRAVEL IN THE UNITED NATIONS SYSTEM ORGANIZATIONS

- 30. Standards of accommodation refer to the class of travel applicable (first, business or economy) for staff and non-staff for business and entitlement travel. These standards for air travel are governed by a series of General Assembly resolutions and decisions for the United Nations Secretariat and its affiliated entities.<sup>23</sup> For the United Nations specialized agencies, their respective legislative bodies determine the rules, regulations and policies governing air travel.
- 31. In 2006, the General Assembly requested the Secretary-General to initiate within the framework of the United Nations System Chief Executives Board for Coordination (CEB) a review of the standards of accommodation and entitlements for staff members, members of organs and subsidiary organs of the United Nations, and organizations of the United Nations system. The purpose of the review was to adopt a common policy at the United Nations system level.<sup>24</sup> The subsequent CEB report issued in 2010 did not respond fully to the General Assembly's request and excluded from its scope the United Nations specialized agencies and IAEA.<sup>25</sup>
- 32. The present chapter addresses the existing standards of accommodation for high-ranking officials, staff and non-staff across the United Nations system entities and the potential policy changes that may lead to reduced costs and better harmonization.
- 33. Across the United Nations system organizations, travel expenditures for staff members include travel for high-ranking officials and other staff members, while travel expenditures for non-staff include travel for members of organs and subsidiary organs, representatives of Member States, delegations and consultants and individual contractors. While very few organizations can provide detailed breakdowns of staff and non-staff travel, most have indicated that staff travel constitutes the largest share of travel expenditures. Such staff travel can be further classified into two main categories as per existing rules and policies.

## A. Standards of accommodation for staff members

- 34. There are two main types of official travel:
- **Travel on official business** includes all missions related to the substantive, normative and operational activities of United Nations system entities. It can include, inter alia, travel to represent the organization in conferences or meetings, for programme delivery activities or for monitoring and evaluation work in the field.<sup>26</sup>
- Statutory (entitlement) travel encompasses nine main categories across the United Nations system organizations: initial appointment; reassignment; repatriation/separation; evacuation; medical, safety and security; learning and development; home leave; family visit; and education grant travel. Precisely which category is recognized in each organization is defined in its staff rules and regulations and further detailed in annex II.
- 35. The approved standards of accommodation in the United Nations system organizations are first class, business class and economy class. Their application tends to differ both among United

<sup>&</sup>lt;sup>23</sup> Resolutions 42/214, 45/248 A, 53/214, 65/268 and 67/254; decisions 40/555, 44/442, 46/450 and 57/589.

<sup>&</sup>lt;sup>24</sup> General Assembly resolution 60/255, sect. IV, para. 2.

<sup>&</sup>lt;sup>25</sup> A/65/386, para. 6.

<sup>&</sup>lt;sup>26</sup> A/61/801, para. 1.

Nations system organizations, between high-ranking officials and other staff, and by category of travel, as shown in annexes III and IV.

#### Standards of accommodation for high-ranking officials

36. For the purpose of this review, "high-ranking officials" are defined as those with the rank of Secretary-General, Deputy Secretary-General, Under-Secretary-General, Assistant Secretary-General, Director-General, Deputy Director-General and Executive Director, as applicable across the United Nations system organizations. Annex III details the standards of accommodation applied for all categories of travel by different organizations to high-ranking officials.

# Use of first class – high-ranking officials

37. Seven United Nations system entities<sup>27</sup> provide first class accommodation for official business travel for an estimated total of 19 high-ranking officials. Six organizations apply first class irrespective of the travel time, while for IAEA the threshold is travel time of more than seven hours.

38. There is a more limited use of first class for statutory travel. The United Nations and the World Meteorological Organization (WMO) grant first class — regardless of travel time — to the head of the organizations for all forms of statutory travel, excluding education grant travel. The ITU grants a first class entitlement regardless of travel time for four categories of statutory travel for all high-ranking officials, <sup>28</sup> while WIPO and IMO limit first class to their organizational head for home leave and learning and development respectively. **Overall, this represents a positive change since 2004, when the last JIU review of travel found that all United Nations system organizations except ITU financed first class travel for their executive heads.**<sup>29</sup>

# Use of business class – high-ranking officials

39. For mission travel, seven entities apply thresholds for business class. These thresholds are: four hours for travel within the same continent in UNFPA and UNDP (for the rank of Assistant Secretary-General), <sup>30</sup> seven hours at IAEA (for officials below the rank of Deputy Director-General), nine hours at UNWTO, WFP and WIPO (for the rank of Deputy Director-General and Assistant Director-General) and 12 hours at FAO. It may be noted that economy class applies as the standard of accommodation in UNDP for any trip less than four hours in duration within the same continent for all staff regardless of rank.

40. For statutory travel, the threshold differs both within the organizations and among categories of entitlement travel (see annex III for details):

- For assignment, reassignment, repatriation/separation, home leave and family visit, an entitlement of business class regardless of travel time is the standard at 13 organizations, of which 9 also provide the same entitlement for travel undertaken for evacuation, medical, safety or security purposes.
- For education grants, economy class is the applicable standard in 19 organizations, with 4 providing business class entitlement.
- For learning and development, 10 organizations apply business class regardless of travel time while 8 apply economy class.

<sup>&</sup>lt;sup>27</sup> IAEA, IMO, ITU, United Nations, UNWTO, WIPO and WMO.

<sup>&</sup>lt;sup>28</sup> Appointment, reassignment, repatriation/separation and family visit.

<sup>&</sup>lt;sup>29</sup> JIU/REP/2004/10, para. 20.

<sup>&</sup>lt;sup>30</sup> The UNDP Administrator is entitled to business class irrespective of travel time.

- Five organizations (IAEA, IMO, UNAIDS, UNWTO and WHO) limit all applicable statutory travel entitlements for high-ranking officials to economy class.
- Two Rome-based agencies (WFP and FAO) provide business class only for thresholds above 9 hours and 12 hours respectively, for seven and six statutory travel categories respectively.
- 41. By way of comparison, non-United Nations entities, such as the International Monetary Fund and the World Bank Group, only permit first class travel for medical reasons on the basis of a medical clearance, and at the Inter-American Development Bank (IADB), executive staff are only permitted first class travel when business class is not available. The Global Fund, GAVI Alliance, the International Organization for Migration (IOM) and the Organization for Economic Cooperation and Development (OECD) do not permit first class travel, nor do two Member States interviewed (France and the United States of America). The trend across the board to not finance first class travel represents, in the Inspector's view, a good practice.

# Standard of accommodation for other staff (D-2 and below)

- 42. Across the United Nations system, the standards of accommodation for air travel undertaken by staff members at the D-2 level and below are lower than that for high-ranking officials, with the exception of four organizations FAO, UNWTO, WFP and WIPO the same number as in 2004<sup>31</sup> (see annex IV). Nineteen organizations permit business class for official travel above 9 hours (economy below nine hours), while IAEA and IMO permit it above 7 hours, and FAO above 12 hours. Four organizations continue to grant business class for learning and development: UNIDO and WIPO, ILO (flights over nine hours) and IMO (flights over seven hours). UNAIDS provides premium economy class after 12 hours. UPU stipulates economy class regardless of travel time, while UNESCO has suspended business class since 2012 with one exception.<sup>32</sup>
- 43. For statutory travel, the threshold differs both within the organizations and among categories of entitlement travel (see annex IV for details):
- For travel on appointment, reassignment and repatriation/separation, 17 organizations apply business class after nine hours with two exceptions. FAO applies business class after 12 hours and seven organizations apply economy class regardless of travel time.
- For evacuation, eight organizations apply business class for travel lasting 9 hours or more, FAO applies business class for travel lasting more than 12 hours, and eight organizations apply economy class regardless of travel time.
- For five other categories of statutory travel medical, safety and security; learning and development; home leave; family visit; and education grant travel economy class regardless of travel time is the standard in 19 organizations, while 8 organizations apply business class at different thresholds for certain categories.
- 44. Some United Nations Secretariat officials interviewed expressed concern that the most recent administrative instruction on travel is complex and generates an additional administrative workload as regards the determination of class of travel and flight selection. As per the policy, for staff members below the rank of Assistant Secretary-General, the class immediately below first class is

<sup>&</sup>lt;sup>31</sup> ICAO, ILO, IMO and WMO.

<sup>&</sup>lt;sup>32</sup> For missions of short duration (i.e. three days or less spent at the destination) and provided that the average flight time is more than nine hours by the most direct route, travel may be undertaken in the class immediately above economy class. For all other journeys, including other forms of travel, economy class is mandatory.

applicable for a single leg journey of nine hours or more and for multi-leg journeys if the combined travel time of the journey is 11 hours or more, including a maximum of two hours of connection time, provided that the journey to the next destination resumes within 12 hours.<sup>33</sup> The policy further states that the normal route for all official travel shall be the most economical route available, provided that the total additional time of the whole journey does not exceed the most direct route by four hours or more.<sup>34</sup>

- 45. It was further noted by interviewees that this policy can lead to increases in the number of layovers, which leaves staff more exposed to safety and security incidents and other risks. It can also add to the overall travel time, consequently having a negative impact on staff productivity and well-being. For instance, the strict application of the above-mentioned provisions obliges the travel arranger to select for the staff member an indirect flight that may be up to four hours longer in duration than the most direct flight, as long as the former option is even a few dollars cheaper than the latter option. As a good practice, the ILO travel policy stipulates that the most economical route may be selected over the most direct route only when the latter option is over 25 per cent more expensive than the former option and the economic route does not exceed the most direct route by more than four hours.³5 In IAEA, a non-stop flight that does not take the most direct route may be selected if it leads to savings of €200 or more and total round-trip flight time does not exceed the most direct route by two hours or more; similarly, a flight with one stopover may be selected if it leads to savings of €1000 or more and total round-trip flight time does not exceed the most direct flight by eight hours or more.³6 ICAO³7 and WFP³8 apply the most direct route without conditions.
- 46. Taking into account the importance of the safety, security, productivity and well-being of the staff traveller, the Inspector is of the view that the implementation of the following recommendation will enhance the effectiveness of air travel management by allowing for a more rational implementation of the travel policy.

# **Recommendation 1**

The legislative bodies of the United Nations system organizations should request their executive heads, who have yet to do so, to establish by 2019 a consistent percentage cost threshold below which the most direct route may be selected in lieu of the most economic route, taking into account the time thresholds established in each organization's travel policy for the selection of the most economic routes.

- 47. Responses received showed that there have been important travel policy updates and reforms undertaken by some United Nations system organizations over the years that have amended standards of accommodation with the aim of enhancing efficiencies, harmonization and/or cost savings. These include:
- (a) For the period 2012-2013, FAO reported that it achieved an estimated efficiency gain in travel costs of \$6.5 million through various initiatives, inter alia: (i) increasing the business class threshold from nine to 12 hours for official travel and for seven categories of statutory travel the highest

<sup>&</sup>lt;sup>33</sup> ST/AI/2013/3, para. 4.3 (d).

<sup>&</sup>lt;sup>34</sup> ST/AI/2013/3, para. 4.2.

<sup>&</sup>lt;sup>35</sup> ILO, IGDS Number 437 (Version 1), sect. 6.1.2 (a).

<sup>&</sup>lt;sup>36</sup> IAEA, Staff Travel Procedures, AM.II/9, sect. 9, para. 28.

<sup>&</sup>lt;sup>37</sup> ICAO, Staff rule 107.1 (Staff Regulations art. VII, para. 22.

<sup>&</sup>lt;sup>38</sup> WFP Travel Manual, sect. 1.3.2.

time threshold utilized by any United Nations system entity; and (ii) introducing a preferred hotel programme, negotiating preferential rates to save DSA costs, thus transferring the responsibility for the selection of hotels from the traveller to FAO;<sup>39</sup>

- (b) In 2012, UNESCO abolished business class for mission travel except for missions where three days or less are spent at the destination and where the average flight time is more than nine hours by the most direct route. In such cases, travel may be undertaken in the class immediately above economy class (for example, in premium economy). For all other journeys, economy class is mandatory;<sup>40</sup>
- (c) In 2012, WFP lowered the standards of accommodation for the Under-Secretary-General and Assistant Secretary-General to the same level as all other staff (economy class with a threshold of nine hours for business class). In 2017, it eliminated DSA payment for overnight travel, eliminated terminal expenses when official transport is provided, reduced lump-sum payments from 75 per cent to 70 per cent, and further eliminated the unaccompanied baggage entitlement for those taking the lump-sum option;
- (d) In 2004, IAEA abolished the business class entitlement for travel on appointment and separation. In January 2016, it eliminated the option of choosing pre-paid tickets for all official travel and established the payment of a lump sum as the default option. <sup>41</sup> For official travel lasting more than seven hours, business class is to be used only if no alternative option is available; <sup>42</sup>
- (e) In 2016, UNAIDS replaced business class entitlements with premium economy for travel lasting more than 12 hours, in order to reduce travel costs. There has since been a decrease of 25 per cent in business class tickets (when comparing tickets issued from January to August 2016 with tickets issued during the same period in 2015), with trips to New York from Geneva also decreasing by 30 per cent;
- (f) In 2013, a United Nations administrative instruction established that economy class applies irrespective of travel time for (i) consultants and individual contractors and (ii) all staff (except instructors) for learning and development (training).<sup>43</sup>

### Practices of some entities outside the United Nations system

48. For the purpose of comparison, the policies on standards of accommodation applied by entities outside the United Nations system were reviewed, including Member States, other international organizations, multilateral and financial institutions and the private sector. The threshold for entitlement to business class travel for civil service officials of three major donor countries (France, the United Kingdom of Great Britain and Northern Ireland and the United States) ranges from seven to 14 hours. 44 Among international organizations, the threshold ranges from only

<sup>&</sup>lt;sup>39</sup> FAO questionnaire response and FAO Programme Implementation Report 2012-2013 (C 2015/8), para.

<sup>&</sup>lt;sup>40</sup> UNESCO Director-General Note: DG/NOTE/12/11REV, para. 2 (a).

<sup>&</sup>lt;sup>41</sup> IAEA, SEC/DIR/218 - Revised Staff Rules and Procedures Relating to Common Staff Cost Travel.

<sup>&</sup>lt;sup>42</sup> IAEA, SEC/DIR/220 - Revised Staff Rules and Procedures Relating to Travel.

<sup>&</sup>lt;sup>43</sup> ST/AI/2013/3, paras. 4.3 (e) and 4.5.

<sup>&</sup>lt;sup>44</sup> France (class above economy over 7 hours), United Kingdom of Great Britain and Northern Ireland (business class over 10 hours subject to prior agreement with line management), United States (business class over 14 hours).

four hours for staff (nine hours for non-staff) at the International Fund for Agricultural Development (IFAD), <sup>45</sup> six hours (or five hours for night flights only) at OECD, <sup>46</sup> and nine hours at The Global Fund<sup>47</sup> and IADB. <sup>48</sup>

#### B. Standards and costs of accommodation for non-staff in the United Nations system

- 49. The number of categories of non-staff travellers, whose air travel and related expenses are paid by most United Nations system organizations, has been increasing over the years, and these expenses constitute a substantive cost to the organization. In the present section, the Inspector aims to provide a clear picture of this particular category of traveller to the executive heads and legislative bodies regarding the standards of accommodation applied across the United Nations system and the costs incurred.
- 50. There are many categories of non-staff travellers in the United Nations system.<sup>49</sup> This review focuses on four groups as stated in ST/SGB/107/Rev.6: (a) members of organs and subsidiary organs of the United Nations and other entities; (b) representatives of Member States; (c) delegations; and (d) consultants and individual contractors. Annex V details the standards of accommodation that these groups are entitled to, in each organization.

# 1. Members of organs and subsidiary organs<sup>50</sup>

51. Members of organs and subsidiary organs serve in their personal capacity, rather than as representatives of their respective Governments. Across the United Nations system, the standards of accommodation applicable to members of organs and subsidiary organs vary greatly. These differences can be summarized as follows: FAO, IAEA, UNFPA, UNICEF and UPU apply only economy class for all travel of members of organs and subsidiary organs; ILO and UNAIDS apply either economy class or business class above a duration of nine hours, depending on the committee; ICAO, ITU, WFP, WIPO and UN-Women<sup>51</sup> apply business class for a flight of nine hours or more, while the United Nations, UNHCR, UNIDO, UNODC and UN-Women<sup>52</sup> apply business class irrespective of travel time.

<sup>&</sup>lt;sup>45</sup> IFAD Travel Guidelines, sect. 1.1.2.

<sup>&</sup>lt;sup>46</sup> OECD Executive Directorate Services, human resources management on mission, para. 5.

<sup>&</sup>lt;sup>47</sup> Travel between Geneva and Washington D.C. is in economy for all staff except Management Executive Committee members.

<sup>&</sup>lt;sup>48</sup> Executive staff (President, Executive Vice-President and Vice-Presidents), general managers, managers, and other executive-grade staff are entitled to business class. Source: AM-501 Business Travel Policy.

<sup>&</sup>lt;sup>49</sup> Non-staff categories include, inter alia, consultants and independent contractors, experts, United Nations Volunteers, interns, members of executive boards, meeting participants, eminent and prominent persons and members of panels and advisory committees established either by the legislative bodies or the executive heads of organizations.

<sup>&</sup>lt;sup>50</sup> The subsidiary organs of the General Assembly are divided into the categories of Boards, Commissions, Committees, Councils and Panels, and Working Groups and Others. The full list is available from <a href="https://www.un.org/en/ga/about/subsidiary/index.shtml">www.un.org/en/ga/about/subsidiary/index.shtml</a>.

<sup>&</sup>lt;sup>51</sup> For Executive Board members only at UN-Women.

<sup>&</sup>lt;sup>52</sup>For accredited permanent representatives and members of the Committee on the Elimination of Discrimination against Women only at UN-Women as per ST/SGB/107/Rev.6.

#### 2. Representatives of Member States

52. Representatives of Member States comprise those individuals who represent their respective Governments at meetings, seminars and training programmes, including sessions of legislative bodies and meetings of subsidiary organs. The analysis of the information provided shows that there are significant differences across the United Nations system regarding the implementation of standards of accommodation and entitlements, which can be summarized as follows: IMO and ITC indicate that they do not finance travel for this category; UNAIDS, UNFPA and UNIDO indicate that they apply business class travel irrespective of travel time for invited ministers; nine organizations (FAO, IAEA, <sup>53</sup> United Nations, UN-Women, <sup>54</sup> UNAIDS, UNICEF, UPU, WHO and WIPO) apply economy class as the norm; and seven others (ICAO, ILO, ITU, UNHCR, UNODC, WFP<sup>55</sup> and WIPO<sup>56</sup>) apply economy class for travel time less than nine hours and business class for travel time above nine hours for these individuals. Executive Board members of UNDP and UNFPA are subject to the UNDP duty travel policy and procedures and are entitled to the same standard of accommodation as staff members.

#### 3. Delegations

- 53. Travel is also financed for up to five representatives from each least developed country to attend regular and special sessions of the General Assembly. Travel in first class is financed for the head of the delegation, as per General Assembly resolution 42/214, while travel in economy or business class (for journeys lasting more than nine hours) is financed for four other representatives. In spite of the considerable number of least developed countries (48), requests for first class tickets have decreased over time. From July 2014 to June 2016, nine first class trips were approved at a cost of \$127,600 compared with 15 trips at a cost of \$207,673 from July 2012 to June 2014.<sup>57</sup>
- 54. For travellers attending a meeting of a functional commission of the Economic and Social Council or a subcommission or subcommittee of a functional commission, separate rules apply. Travel is financed for one representative of each participating member State when such representatives are nominated by their Government. The standard of accommodation applied is economy class for journeys of less than nine hours and the class immediately below first class for journeys exceeding nine hours.
- 55. The review found that differences in entitlements for members of the above-mentioned categories vary both between organizations and among categories and have been recurrent issues on the agendas of the legislative bodies of organizations, particularly the General Assembly. In this regard, the Inspector reiterates the earlier JIU recommendation that the General Assembly should request the Secretary-General to initiate, in the framework of CEB, a review of the standards of air travel and entitlements for members of various organs and subsidiary

<sup>&</sup>lt;sup>53</sup> This category accounts for the majority of non-staff travel in IAEA for programmatic delivery, including the delivery of technical cooperation.

<sup>&</sup>lt;sup>54</sup> UN-Women applies economy class, regardless of the travel time, to government representatives, unless they are members of the Commission on the Status of Women or the Committee on the Elimination of Discrimination against Women. Only prominent representatives, i.e. ministers, are offered business class on a case-by-case basis.

<sup>&</sup>lt;sup>55</sup> For the President and members of the Executive Board only at WFP.

<sup>&</sup>lt;sup>56</sup> For representatives attending assemblies of member States and standing committees at WIPO.

<sup>&</sup>lt;sup>57</sup> A/71/741 and Corr.1.

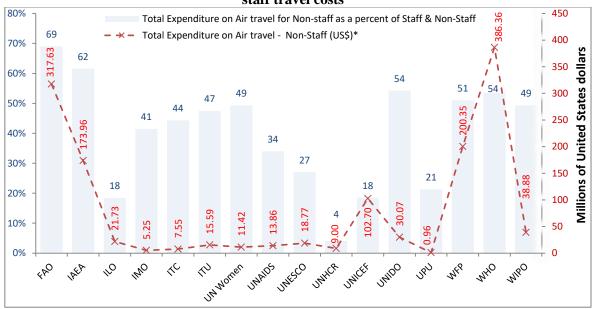
organs of the United Nations system organizations, with a view to formulating proposals for harmonizing these standards across the United Nations.<sup>58</sup>

#### 4. Consultants and individual contractors

- 56. To carry out short-term projects or when there is a lack of in-house capacity for a specific expertise, the United Nations system organizations may engage consultants or individual contractors to perform the work. Twenty-one organizations<sup>59</sup> responding to the JIU questionnaire apply economy class as the norm for consultants and individual contractors. Only four organizations apply business class, at varying thresholds, for the travel of consultants and contractors, in order to align with their rules for staff.<sup>60</sup>
- 57. In the United Nations Secretariat, the applicable standard of accommodation for consultants and individual contractors is economy class irrespective of travel time, unless otherwise determined by the Secretary-General.<sup>61</sup> The Inspector welcomes this practice and is of the view that the executive heads of the United Nations system organizations, who have not already done so, when appropriate, should apply economy class for consultants and individual contractors irrespective of travel time, unless special or extenuating circumstances exist.

Costs of standards of accommodation for non-staff travellers for each organization

Figure VII. Organizational air-travel-related expenditure on non-staff for the period 2012-2015: total in millions of United States dollars and as a percentage of overall staff and non-staff travel costs



Sources: Responses to JIU questionnaire.

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<sup>&</sup>lt;sup>58</sup> JIU/REP/2004/10, recommendation 12.

<sup>&</sup>lt;sup>59</sup> FAO (contractors only), IAEA, ILO, ITC, ITU, United Nations, UNAIDS, UNDP, UNEP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNODC, UNOPS, UNRWA, UPU, UN-Women, WFP and WIPO.

 <sup>&</sup>lt;sup>60</sup> Business class thresholds: IMO — 7 hours or more; ICAO, UNWTO and WHO — 9 hours or more; FAO
 — 12 hours or more for consultants (contractors entitled to economy only).

<sup>&</sup>lt;sup>61</sup> ST/AI/2013/3, para. 4.5.

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- 58. Across the United Nations system, only 16 organizations<sup>62</sup> provided disaggregated expenditure figures for non-staff (from the regular budget and extrabudgetary) for air travel and related expenses for four years, from 2012 to 2015, with some exceptions<sup>63</sup> (see annex I). These costs totalled \$1.35 billion and represented 43.8 per cent of total air travel and related expenditures. Figure VII provides a breakdown of total expenditure on air travel for non-staff in each of these 16 organizations and lists these expenditures as a percentage of total expenditure on air travel for staff and non-staff combined. It is regrettable that 12 organizations did not provide disaggregated data for staff and non-staff travel costs, including the largest organizations, namely the United Nations Secretariat and UNDP. This limitation in data provision prevented a full analysis of non-staff travel costs system-wide from being conducted.
- 59. As can be seen from annex I, over the four-year period from 2012 to 2015, air travel and related expenses for non-staff increased progressively from year to year in six organizations: FAO, UNHCR, UNIDO, UPU, WFP and WHO. The reverse held true only for ITU, whereas in IMO and UNESCO expenses have declined progressively since 2013. Moreover, expenses have remained stable in IAEA since 2012, and no clear trend can be determined for five others (ILO, ITC, UNAIDS, UNICEF and WIPO) where expenses have fluctuated from year to year.

<sup>62</sup> FAO, IAEA, ILO, IMO, ITC, ITU, UN-Women, UNAIDS, UNESCO, UNHCR, UNICEF, UNIDO, UPU, WFP, WHO and WIPO.

<sup>&</sup>lt;sup>63</sup> Exceptions in reporting costs: (a) ITC provided the cost of air tickets only; (b) UN-Women reported travel costs for 2014 and 2015 only; (c) UNIDO did not report disaggregated travel costs for 2012; and (d) UNICEF reported non-staff travel costs, including all modes of transport (air, ground and water).

#### IV. NEED FOR RECONSIDERATION OF CLASS OF AIR TRAVEL

#### A. Reconsideration of first class travel

- 60. The issue of first class travel by United Nations system staff has featured in the discussions of legislative and oversight bodies for decades. Starting in 1972, JIU reports on air travel in each of the past four decades have highlighted the importance of savings to be attained through the reduction or elimination of the entitlement to first class travel.<sup>64</sup> In 2004, the Advisory Committee on Administrative and Budgetary Questions highlighted the need to reconsider "the whole question" of first class travel, observing that "many airlines have significantly cut back, if not entirely eliminated, first-class sections" and that the airlines replaced first class with "several varieties of enhanced business-class travel" with minimal differences.
- 61. Officials of the United Nations Medical Services Division interviewed in New York confirmed that there was minimal difference in comfort levels between first and business class travel. This statement has been confirmed by airline representatives interviewed in Geneva who noted that the business class of today is equivalent to the first class of the previous era, largely due to improvements in equipment and services.
- 62. The potential for cost savings and the findings of the legislative bodies are borne out by the data provided by the organizations on first class travel costs. The total expenditures on first class travel by 15 United Nations system organizations that provided such data, including six organizations that provided data for all years between 2010 and 2015<sup>66</sup> and nine organizations that provided data for certain years between that period,<sup>67</sup> amounted to \$8.1 million at an average cost of \$5,798 per trip for 1,400 trips.<sup>68</sup> In comparison, a total of 141,380 business class trips were undertaken by these 15 organizations at a total cost of \$548.26 million during the same reporting period, at an average cost of \$3,878 per business class trip.
- 63. The average cost of a first class trip in all reporting United Nations system entities is 33 per cent higher (\$1,920) when compared with a business class trip. Total expenditures on first class travel have also increased over the reporting period. For instance, for the United Nations Secretariat, which accounts for nearly two-thirds (65.7 per cent) of all first class expenditures, the total amount spent on first class travel increased by 19.6 per cent from 2011 to 2015.
- 64. The potential for significant cost savings through the elimination of first class travel is also borne out by the research conducted by JIU on sample airfares for three fare classes (first, business

<sup>&</sup>lt;sup>64</sup> JIU/REP/72/4, JIU/REP/82/7, JIU/REP/95/10 and JIU/REP/2004/10.

 $<sup>^{65}</sup>$  A/59/573

<sup>&</sup>lt;sup>66</sup> IAEA, ICAO, IMO, ITU, UNAIDS and WHO.

<sup>&</sup>lt;sup>67</sup> ILO (2013-2015; headquarters travel only), ITC (2011-2015), WFP (2014-2015), United Nations (2011-2015), UN-Women (2013-2015), UNESCO (2013-2015; headquarters staff travel only), UNODC (2012-2015), UNOPS (2011-2015), UNWTO (2014-2015).

<sup>&</sup>lt;sup>68</sup> First class trips: United Nations Headquarters and offices away from Headquarters: 883; ICAO: 205; WHO: 96; IMO: 70; IAEA, ILO, ITU, UNESCO: 28-39; WFP: 15; UNAIDS, UNODC: 2-4; ITC, UNWomen, UNOPS, UNWTO: 0.

and economy) for nine frequently used routes between six headquarters locations<sup>69</sup> and between five regional commissions<sup>70</sup> and headquarters. Rates were acquired using a reputable Internet flight comparison website with flights departing on Monday and returning on Friday for tickets purchased 5 days, 31 days and 60 days prior to departure.<sup>71</sup> In order to avoid bias, the most direct routes and regular airfares were selected.

Table 3. Sample of aggregated average cost per class (in United States dollars)

Route (most direct round trip)	First	Business	Economy
New York (JFK)-Geneva	11 788	5 148	1 310
New York (JFK)-Rome	12 492	5 773	1 650
Paris-New York (JFK)	9 175	4 780	1 330
Vienna-New York (JFK)	8 637	4 574	1 312
Addis Ababa-New York (JFK)	10 601	4 537	1 463
Beirut-New York (JFK)	9 612	4 725	1 288
Santiago-New York (JFK)	8 181	6 140	1 817
Geneva-Nairobi	9 067	4 465	1 229
Geneva-Bangkok	8 045	3 270	582ª
Average	9 733	4 824	1 331

Source: JIU research.

Abbreviations: JFK, John F. Kennedy International Airport.

<sup>a</sup> The rate for Geneva-Bangkok is lower than other routes due to: (a) the fact that the rates accessed were for flights during the shoulder/low season (February-April), which are considerably cheaper than peak season flights (November-January); and (b) competitive pricing resulting from the considerable number of carriers servicing the route.

65. Table 3 presents a sample of the average aggregated costs<sup>72</sup> per class for each route. As the table illustrates, the average aggregated cost for a first class ticket for the nine selected routes is double (101.7 per cent) the price of a business class ticket. The elimination of the first class option would provide a potential savings of \$4,909 per trip. Additionally, first class tickets cost more than six times (631 per cent) the price of an economy class ticket.

66. The implementation of the following recommendation is expected to strengthen coherence and harmonization across the United Nations system with regard to policies governing standards of accommodation.

<sup>69</sup> Geneva (ILO, IOM, ITC, ITU, UNAIDS, the United Nations Conference on Trade and Development (UNCTAD), Economic Commission for Europe (ECE), UNHCR, UNOG, WHO, WIPO and WMO) Nairobi (UNEP, UN-Habitat and UNON), New York (United Nations, UNDP, UNFPA, UNICEF and UN-Women), Paris (UNESCO), Rome (FAO, IFAD and WFP), Vienna (IAEA, UNIDO, UNODC, UNOV and the Comprehensive Nuclear-Test-Ban Treaty Organization).

<sup>70</sup> Addis Ababa (Economic Commission for Africa), Bangkok (Economic and Social Commission for Asia and the Pacific), Beirut (Economic and Social Commission for Western Asia), Geneva (ECE) and Santiago (Economic Commission for Latin America and the Caribbean).

<sup>71</sup> Advance booking rates accessed on 31 January 2017 for four routes (New York-Geneva, Geneva-Bangkok, New York-Rome, Geneva-Nairobi) for flights on 6 and 10 February 2017, 6 and 10 March 2017 and 3 and 7 April 2017. Advance booking rates accessed on 7 February 2017 for five routes (Beirut-New York, Addis Ababa-New York, Santiago-New York, Vienna-New York, Paris-New York) for flights on 13 and 17 February 2017, 13 and 17 March 2017 and 10 and 14 April 2017.

<sup>72</sup> Aggregated average cost is derived by adding the cost of a ticket per class category for 5 days, 31 days and 60 days in advance and dividing the total by three.

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#### Recommendation 2

The legislative bodies of all United Nations system organizations, if they have not already done so, should abolish first class travel for all categories of staff and non-staff by January 2019 and permit its use only when business class is not available.

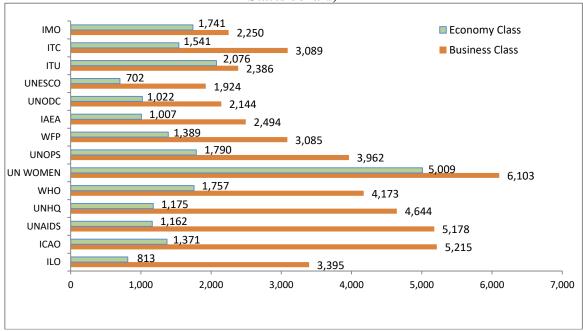
#### B. Business class travel considerations

#### Potential cost savings between business and economy

67. Across the United Nations system, a total of 140,567 business class trips were taken in 14 of the 15 aforementioned reporting organizations<sup>73</sup> during the period from 2010 to 2015, at a total cost of \$549.8 million and an average cost of \$3,911 per trip. In comparison, the total number of economy class trips taken in these 14 organizations was 500,540, with a total expenditure of \$453.7 million at an average cost of \$906 per trip (see figure VIII for average cost by organization).

68. The average cost of a business class trip in these 14 organizations was more than three times higher (331 per cent), or an average of \$2,025 more per ticket, compared with an economy class trip. These 14 organizations collectively spent \$1.01 billion on air travel. While business class tickets constituted the majority (54 per cent) of total expenditure, they only accounted for just over one-fifth (21.8 per cent) of all trips taken.<sup>74</sup>

Figure VIII. Average cost of business and economy class tickets per organization (in United States dollars)



Source: Questionnaire responses from participating organizations.

<sup>&</sup>lt;sup>73</sup> UNWTO combined reporting for economy class air travel in 2014-2015 with expenses related to other non-air modes of transportation. As such, the data for UNWTO has not been included in the analysis.

<sup>&</sup>lt;sup>74</sup> There were 140,567 business class trips taken by the 14 organizations, out of a total of 642,507 trips.

69. As illustrated in figure VIII, considerable cost differences can be found in all 14 organizations with regard to the average expenditure on a business class ticket compared with an economy class ticket. This difference ranges from \$1,100 to \$2,600 in nine organizations to as high as \$3,400 to \$4,000 in ICAO, UNAIDS and United Nations Headquarters.

## Premium economy as a potential alternative to business class travel

- 70. The use of premium economy class (or its equivalent), which is offered on many international routes between headquarters locations as well as between headquarters and regional offices, may be a viable alternative to business class when and where available, with the Secretary-General stating in a report that the premium economy product is not consistently available from all airlines and can differ not only between routes but even within routes, depending on the aircraft.<sup>75</sup>
- 71. JIU research on a number of major carriers found a range of potential advantages of premium economy over standard economy in terms of comfort and baggage allowances. Geneva-based airline carriers interviewed also highlighted the increased use of premium economy class travel. In 2015, the Advisory Committee on Administrative and Budgetary Questions recognized the "growing number of options offered for premium economy-class travel" and called upon the Secretary-General to make proposals regarding the class of air travel.<sup>76</sup>
- 72. Table 4 builds on table 3 and presents information on the average aggregated cost, based on JIU research, for three fare classes (business, premium economy and economy) for six frequently used routes for travel between five headquarters locations and between two regional commissions and headquarters. While the average premium economy ticket costs \$1,414 more than an average standard economy class ticket across all six routes, it is nonetheless \$2,053 cheaper or 56 per cent of the cost of an average business class ticket.

Table 4. Sample aggregated average cost per class

Route (most direct round-trip)	Business	Premium	Economy
New York (JFK)-Geneva	5 148	2 727	1 310
New York (JFK)-Rome	5 773	3 380	1 650
Vienna-New York (JFK)	4 574	1 758	1 312
Paris-New York (JFK)	4 780	1 958	1 330
Beirut-New York (JFK)	4 725	2 812	1 288
Geneva-Bangkok	3 270	3 319	582
Average	4 712	2 659	1 245

Source: JIU research.

*Note*: Utilizing the same methodology as for table 3, only the most direct routes and regular airfares were selected. As such, three routes used for table 3 (Geneva-Nairobi, Addis Ababa-New York, Santiago-New York) were dropped for table 4, as they would involve additional stops and longer flight times to avail of premium economy. Nonetheless, premium economy was available on all three routes and was considerably cheaper than business class fares.

Abbreviations: JFK, John F. Kennedy International Airport.

73. Two United Nations system organizations that have already initiated the practice of utilizing premium economy indicate that this fare class offers considerably greater comfort levels compared

<sup>&</sup>lt;sup>75</sup> A/71/741, para. 81.

<sup>&</sup>lt;sup>76</sup> A/69/787, para. 40.

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to standard economy and also allows for cost savings. In UNAIDS, the replacement of business class with premium economy has resulted in a 25 per cent decrease in business class tickets issued from January to August 2016, compared with January to August 2015.<sup>77</sup> In UNESCO, following the abolishment of business class in 2012 for most cases (see chap. III.A above), travel may be undertaken in the class immediately above economy class, for example, in premium economy.<sup>78</sup>

74. Given the potential cost savings to be realized through the utilization of premium economy and the higher comfort levels that it offers over standard economy, the Inspector recommends that, where possible, the executive heads of United Nations system organizations, if they have not already done so, should explore alternatives to business class travel, such as premium economy and other classes between economy and business, for relevant time thresholds.

<sup>77</sup> UNAIDS response to JIU questionnaire.

<sup>&</sup>lt;sup>78</sup> UNESCO Director-General Note: DG/NOTE/12/11Rev (9 July 2012), para. 1 (b).

# V. STATUS OF EXCEPTIONS TO AUTHORIZED STANDARDS OF ACCOMMODATION FOR AIR TRAVEL

# A. Overview of exceptions within the United Nations system

75. The issue of exceptions to the approved standards of accommodation dates back to 1987, when the General Assembly issued resolution 42/214, by which it authorized the Secretary-General to exercise his discretion in making exceptions to allow for first class travel on a case-by-case basis. Similar provisions for exceptions to allow for business class travel were granted through Assembly resolution 45/248. Exceptions to the approved standards for air travel are generally authorized at the highest levels within the United Nations system organizations. Only the United Nations Secretariat has a system for reporting exceptions to its legislative body biennially, as requested by the General Assembly in its decision 57/589B.

76. JIU requested information from its participating organizations on the use of exceptions to the authorized standards of accommodation for air travel from 2010 to 2015. Only 12 of the 28 organizations provided relevant data<sup>79</sup> — mostly United Nations funds and programmes and one specialized agency. The review found that five of these entities<sup>80</sup> provided data for the complete period, while seven others provided partial data.<sup>81</sup> ICAO and IMO stated that they did not apply exceptions at all, while IAEA indicated that the use of exceptions was negligible. Ten organizations — mostly specialized agencies — did not provide any data on the use of exceptions,<sup>82</sup> of which five<sup>83</sup> noted that they did not report on exceptions. The available information showed that the use of exceptions was not a common practice across the United Nations system.

77. The Inspector regrets that, due to the lack of available data, system-wide comparisons on the use of exceptions could not be undertaken. Consequently, the analysis in the present chapter will be limited to the United Nations Secretariat and its affiliated entities as detailed in table 5. For the five other United Nations system organizations not included in this table, a total of 176 exceptions were granted: 98 by UNAIDS, 45 by ITC, 22 by WIPO, 10 by WFP and one by UNOPS.

#### B. Trends in exceptions in the United Nations Secretariat and its affiliated entities

78. The General Assembly and Member States have repeatedly expressed concern with regard to the increase in the use of exceptions and their financial implications.<sup>84</sup> They have also stressed the

<sup>&</sup>lt;sup>79</sup> ITC, United Nations, UNAIDS, UNDP, UNFPA, UNHCR, UNICEF, UNOPS, UNOV/UNODC, UNWomen, WFP and WIPO.

<sup>&</sup>lt;sup>80</sup> ITC, United Nations, UNHCR, UNICEF and UNODC/UNOV.

<sup>&</sup>lt;sup>81</sup> One year (WFP and WIPO for 2015); two years (UNAIDS, UNFPA, UNOPS and UNRWA for 2014-2015); and four years (UN-Women for 2012-2015).

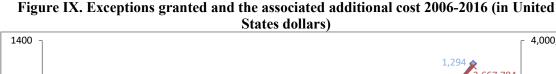
<sup>82</sup> FAO, IAEA, ILO, ITU, UNEP, UNESCO, UNIDO, UNWTO, UPU and WHO.

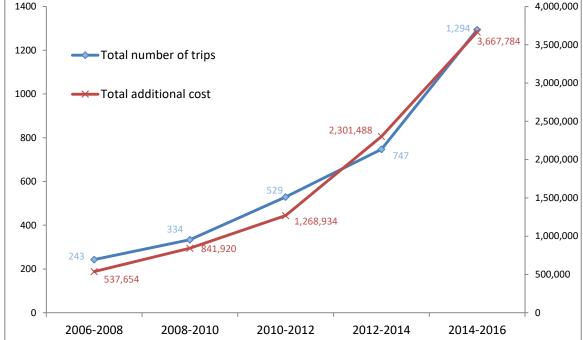
<sup>83</sup> FAO, IAEA, UNIDO, UPU and WHO.

<sup>&</sup>lt;sup>84</sup> See General Assembly resolutions 67/254 and 69/274 and Advisory Committee on Administrative and Budgetary Questions reports A/67/636 and A/71/822; see also concerns expressed by Member States: United States, 4 March 2013, first resumed part of the sixty-seventh session of the Fifth Committee; and Group of 77 and China, 4 March 2015, first resumed part of the sixty-ninth session of the Fifth Committee.

need for regular and accurate reporting on the use of exceptions<sup>85</sup> as well as for clear and comprehensive guidelines to better regulate the authorization of upgrades.<sup>86</sup> As recently as 2015, the General Assembly reiterated in its resolution 69/274 its requests to the Secretary-General to take immediate action to limit the use of exceptions, to strengthen internal controls and to conduct an analysis of the trends in the use of exceptions and their financial implications.<sup>87</sup>

79. This section focuses on exceptions for the period from 2006 to 2016 on the basis of data collected from the reports of the Secretary-General. 88 Although the overall budgets for many United Nations Secretariat programmes have been reduced by almost 10 per cent, including travel budgets, the cost related to exceptions to the standards of accommodation and the numbers of exceptions granted have steadily increased. In the Secretariat and its affiliated entities, a total of 3,052 exceptions were approved during the 10-year period from 1 July 2006 to 30 June 2016, at a total additional cost of \$8.23 million (see figure IX for exceptions granted in each two-year period and the associated additional cost).





Source: A/63/524, A/65/348, A/67/356, A/69/643, A/71/741 and Corr.1.

80. For the 2008-2010 period, the number of exceptions granted increased by 37 per cent over the two-year period from 2006 to 2008, while total additional costs increased by 57 per cent (\$0.30) million). For the 2010-2012 period, the number of exceptions granted increased by 58 per cent over the previous two-year period, while total additional costs due to exceptions increased by 51 per cent (\$0.43 million). For the 2012-2014 period, the number of exceptions granted increased by 41

<sup>85</sup> See General Assembly resolutions 42/214, 45/248A, 63/268 and 65/268; Assembly decision 57/589; and Advisory Committee on Administrative and Budgetary Questions reports A/59/573, A/63/715, A/65/632, A/67/636 and A/69/787.

<sup>&</sup>lt;sup>86</sup> General Assembly resolution 65/268, annex, para. 2(d).

<sup>&</sup>lt;sup>87</sup> General Assembly resolution 69/274, sect. IV, para. 3.

<sup>88</sup> A/65/348 (for 2006-2010), A/67/356 (for 2010-2012) and A/71/741 (for 2012-2016).

per cent over the 2010-2012 period, while total additional costs due to exceptions increased by 81 per cent (\$1.03 million). For the 2014-2016 period, the number of exceptions granted increased by 73 per cent over the 2012-2014 period, while total additional costs due to exceptions increased by 59 per cent (\$1.37 million). The Inspector notes that, in spite of efforts made by the United Nations Secretariat, the number of exceptions is still increasing for some categories, particularly "prominent persons". The United Nations Secretariat has attributed an increase in requests for exceptions to 2013 travel policy changes that more rigorously restricted the standards of accommodation for non-staff to economy class.

# C. Trends according to categories of exceptions in the United Nations Secretariat and its affiliated entities

- 81. The most recent report of the Secretary-General<sup>89</sup> on standards of accommodation for air travel identifies six categories of exceptions established over the years, which include (but are not limited to): (a) travel under circumstances that have been deemed to be arduous;<sup>90</sup> (b) upgrade in accommodation for air travel due to medical reasons; (c) travel of eminent persons; (d) travel of prominent individuals; (e) travel under circumstances when the regular standard of accommodation is not available and it is considered prudent to authorize an upgrade; and (f) security officials travelling with the President of the General Assembly or the Secretary-General and the Deputy Secretary-General and their spouses. <sup>91</sup> In addition, other exceptions can also be authorized by the President of the General Assembly. A detailed breakdown of the trends in exceptions by category can be found in table 5 and are further elaborated below.
- 82. **Medical conditions.** Between the period 2006-2008 and the period 2010-2012, exceptions granted on medical conditions and associated costs increased by 123 per cent. From the period 2010-2012 to the period 2014-2016, the number of exemptions granted and associated additional costs both decreased by 22 per cent and 10 per cent respectively. The cumulative cost over the five two-year periods (1 July 2006 to 30 June 2016) was \$1.22 million, representing 14 per cent of all additional costs related to exceptions. The decrease in medical exemptions is attributable to the 2012 guidelines adopted by the United Nations Medical Directors Working Group for granting exceptions on medical grounds for system-wide use and constitutes a good practice. By way of example, the United Nations Medical Services Division in New York reported that, of the 260 requests received during the period 2013-2015, only 55 were recommended for an upgrade.
- 83. **Regular standards not available.** Between the periods 2006-2008 and 2010-2012, the number of exceptions granted for this category increased by 273 per cent, while associated costs increased by 339 per cent. From the period 2010-2012 to the period 2014-2016, the number of exemptions granted and the associated additional costs decreased by 71 per cent and 66 per cent respectively. This category represents less than 1 per cent (\$0.08 million) of all additional costs related to exceptions over the five two-year periods.
- 84. Arduous journey and exceptions authorized by the President of the General Assembly. Only 70 exceptions were granted for these two categories from 2006 to 2016, representing 3 per cent (\$0.25 million) of all additional costs related to exceptions over the five two-year periods.

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<sup>89</sup> A/71/741.

<sup>&</sup>lt;sup>90</sup> Arduous journey: "The traveller, after completing a full day of work, is required to travel through the night in order to resume work, attend meetings or present a paper at another location on the following morning or immediately upon arrival." Source: A/53/498.

<sup>&</sup>lt;sup>91</sup> Applies to only one member of the assigned security detail, not the entire team.

- 85. **Security.** Between the periods 2006-2008 and 2010-2012, the number of exceptions granted for this category increased by 68 per cent, while associated costs increased by 177 per cent due to the use of first class. From the period 2010-2012 to the period 2014-2016, the number of exemptions granted and the associated additional costs remained largely unchanged. The associated costs of this category constituted 23 per cent (\$1.98 million) of all additional costs related to exceptions. It remains incumbent upon the three senior officials entitled to such protection to ensure that the policy of only one accompanying security staff member is strictly applied. 92
- 86. **Eminent persons.** From 2006 to 2016, the number of exceptions granted for this category increased by 88 per cent, while associated costs increased by 118 per cent. The redefinition of the term in 2014 from "a former Head of State, or an international figure in the political, humanitarian or cultural arenas" to "current or former Head of State or Government" has brought clarity and consistency in its application and usage, as evident from the detailed list provided in the Secretary-General's report on standards of accommodation. This category constitutes nearly 6 per cent (\$0.50 million) of all additional costs related to exceptions.
- 87. **Prominent persons.** Of greatest concern to Member States regarding the rising use and cost of exceptions is the category of "prominent persons". 96 The number of exceptions granted for this category increased from only 44 at a cost of \$0.07 million in the period 2006-2008 to 973 at a cost of \$2.62 million in the period 2014-2016. This category alone constitutes half of all additional costs related to exceptions, amounting to \$4.31 million.
- 88. Two reasons have been given for this increase in exceptions for prominent persons:
  - The implementation of ST/AI/2013/3, which changed the standard of accommodation for consultants and individual contracts to economy class regardless of duration, when they had previously enjoyed the same standard of accommodation as staff members.<sup>97</sup>
  - The change in 2014 of the definition of "eminent persons", which resulted in the transfer of some requests from this category to the category of "prominent persons", thereby significantly increasing the use of this exception. 98
- 89. The upward trend has prompted the General Assembly to reiterate its request to the Secretary-General to review the use of exceptions for prominent persons and to come up with a clear set of criteria defining this category of persons and to report thereon.<sup>99</sup> In addition, the Advisory Committee on Administrative and Budgetary Questions has recommended that the definition of "prominent persons" should be tightened and consistently applied in order to allow for a more

<sup>&</sup>lt;sup>92</sup> ST/AI/2013/3, para. 4.3 (b).

<sup>&</sup>lt;sup>93</sup> A/67/356, para. 12 (c).

<sup>&</sup>lt;sup>94</sup> A/69/643, para. 12 (c).

<sup>&</sup>lt;sup>95</sup> A/71/741, annex III.

<sup>&</sup>lt;sup>96</sup> A traveller is considered a prominent person if he or she is at the level of a current or former Cabinet Minister or, in the opinion of the Secretary-General, is a significant international figure in the political, scientific, economic, humanitarian or cultural arena who is providing his or her services to the Organization. Source: A/69/643, para. 12 (d).

<sup>&</sup>lt;sup>97</sup> A/69/643, para. 13.

<sup>&</sup>lt;sup>98</sup> A/69/787, para. 9 (a).

<sup>&</sup>lt;sup>99</sup> General Assembly resolution 67/254, para. 17.

streamlined, systematic and efficient process for responding to requests for exceptions. <sup>100</sup> The Secretary-General has since reported that additional time is required to review the matter and has requested to submit his proposals during the first resumed part of the seventy-third session of the General Assembly. <sup>101</sup>

90. Given the status of eminent persons and the increasing cost of exceptions for the travel of prominent persons, the General Assembly may wish to legislate on the standards of accommodation applicable for eminent and prominent persons who provide services free of charge to organizations, in order to discontinue these cases as exceptions.

<sup>100</sup> A/69/787, para. 19.

<sup>&</sup>lt;sup>101</sup> A/71/741, para. 4.

Table 5. Number of exceptions to the standard of accommodation for air travel by category for the United Nations and its affiliated entities (2006-2016)

Tuble et l'uniber of ex	Table 3. Number of exceptions to the standard of accommodation for all travel by category for the Omice Nations and its arimated entities (2000-2010)											
	200	6-2008	2008-	2010	2010	)-2012	2012	2-2014	2014	1-2016		
Category	Total number of trips	Total additional cost (United States dollars)	Total number of trips	Total additional cost (United States dollars)	Total number of trips	Total additional cost (United States dollars)	Total number of trips	Total additional cost (United States dollars)	Total number of trips	Total additional cost (United States dollars)	Total trips	Total cost (United States dollars)
Medical condition	61	118 378	98	191 284	136	264 959	113	406 049	106	239 447	514	1 220,117
Percentage change	-	-	+61%	+62%	+39%	+39%	-17%	+53%	-6%	-41%	-	-
Regular standard not available	15	7 974	21	5 894	56	35 002	28	19 342	16	11 897	136	80 109
Percentage change	-	-	+40%	-26%	+167%	+494%	-50%	-45%	-43%	-38%	-	-
Eminent traveller	43	81 527	57	69 009	72	108 794	30	63 366	81	178 097	283	500 793
Percentage change	-	-	+33%	-15%	+26%	+58%	-58%	-42%	+170%	+181%	-	-
Prominent traveller	44	73 377	58	97 797	153	280 258	459	1 238 105	973	2 618 814	1 687	4 308 351
Percentage change	-	-	+32%	+33%	+164%	+187%	+200%	+342%	+113%	+112%	-	ı
Arduous journey	1	750	4	9 488	3	4 571	20	69 729	24	85 430	52	169 968
Percentage change	-	-	+300%	+1 165%	-25%	-52%	+567%	+1 425%	+20%	+23%	-	-
Authorized by the President of the General Assembly	6	21 466	2	2 759	5	26 223	4	31 983	1	3 534	18	85 965
Percentage change	-	-	-67%	-87%	+150%	+850%	-20%	+22%	-75%	-89%	-	-
Security	56	172 499	73	325 753	94	478 499	93	472 914	93	530 565	409	1 980 230
Percentage change	-	-	+30%	+89%	+29%	+47%	-1%	-1%	0%	+12%	-	-
Deputy Secretary-General <sup>a</sup>	17	61 683	21	139 936	10	70 628					48	272 247
Percentage change	-	-	+24%	+127%	<b>-</b> 52%	-50%						
Total	243	537 654	334	841 920	529	1 268 934	747	2 301 488	1 294	3 667 784	3 147	8 617 780_
Percentage change	-	-	+37%	+57%	+58%	+51%	+41%	+81%	+73%	+59%	-	•

Source: A/63/524, A/65/348, A/67/356, A/69/643, A/71/741 and Corr.1; from 1 July to 30 June of each biennium. Percentage change is with respect to the previous biennium.

<sup>&</sup>lt;sup>a</sup> No longer considered to be an exception.

# VI. IMPROVING POLICIES AND PRACTICES IN AIR TRAVEL MANAGEMENT AND STRENGTHENING ACCOUNTABILITY

#### A. Background

- 91. In 2011, the General Assembly reiterated its request to the Secretary-General to urgently improve the management of air travel, including through more effective and efficient utilization of organizational resources. This provides a clear basis for air travel to be considered within organizational reforms and innovation processes, including measures to strengthen, revitalize and reorient managerial cultures and management capabilities and to enhance accountability and oversight. On the strength of the secretary-General to urgently improve the management of air travel, including through more effective and efficient utilization of organizational resources.
- 92. The present chapter identifies areas and options for improving management, policies and practices governing air travel, measures to enhance the accountability framework in air travel administration, and options to more effectively utilize existing tools and services.

## B. Improvements to the existing legal frameworks

- 93. The existence of clear and comprehensive rules, policies and procedures is essential for effective air travel management. Research conducted by a private research institute found that, when companies placed a strong focus on clarifying policies and reinforcing compliance measures, they could save, on average, 20 per cent on their air travel expenditures. This includes, in particular, measures such as: the enforcement of policies on advance planning and business class thresholds and the utilization of restricted airfares and preferred suppliers. <sup>104</sup> The study also shows that, in the private sector, companies are focusing less on tightening rules and more on clarifying policies, reinforcing measures that promote compliance and improving management for cost savings. <sup>105</sup>
- 94. In interviews with international financial institutions, including the International Monetary Fund, IADB and the World Bank Group, the Inspector found that streamlining travel procedures and centralizing travel management at headquarters had been emphasized to ensure consistency and compliance with travel policies. Issues for consideration by the United Nations system entities in regard to streamlining, updating and improving rules, policies and practices governing air travel are detailed below.

# C. Streamlining current rules and policies and improving management

95. Ideally, an organization's travel policy should bring together all relevant rules and procedures under a common document. However, this is not always the case across the United Nations system

<sup>104</sup> Carlson Wagonlit Travel Management Institute, *Playing by the Rules: Optimizing Travel Policy and Compliance* (2008), p. 7. Available from

 $\underline{www.carlsonwagonlit.it/export/sites/cwt/it/countries/it/cwt\_news/cwt\_eventi/playing\_by\_the\_rules\_handbo\_ok.pdf.$ 

<sup>105</sup> Carlson Wagonlit Travel Management Institute, *Playing by the Rules: Optimizing Travel Policy and Compliance* (2008), p. 80. Available from

www.carlsonwagonlit.it/export/sites/cwt/it/countries/it/cwt news/cwt eventi/playing by the rules handbo ok.pdf.

<sup>&</sup>lt;sup>102</sup> General Assembly resolution 65/268, sect. IV, para. 5.

<sup>103</sup> JIU/REP/95/2.

organizations, where travel-related policies may be spread out over different instruments. For instance, in the United Nations Secretariat, amendments to travel rules may be promulgated and communicated through a variety of channels, memorandums and/or administrative notes. Such fragmentation can jeopardize comprehensive understanding and effective implementation of travel policies. This has been confirmed by interviews with travel agents, who also highlighted a lack of clarity among staff about how to access current travel policies and a perception that online resources were not particularly user-friendly.

96. Although the United Nations Secretariat administrative instruction (ST/AI/2013/3) introduced several changes to official travel policies, as well as entitlements, and generated a one-time savings amounting to an 8.9 per cent decrease in the average ticket price for travel arranged by United Nations Headquarters in 2014, <sup>106</sup> it did not streamline or consolidate the various policies and rules.

97. In the Inspector's view, the executive heads of the United Nations system organizations should conduct periodic reviews of travel policies, rules and regulations with the aim of identifying further opportunities for efficiency gains and coherence. Any changes requiring action from legislative bodies should be submitted for their consideration with full justification and an analysis of the expected improvements. Approved changes must be disseminated widely and must be readily accessible on the intranet to all staff at headquarters and regional and country offices in a user-friendly format.

# D. Updating rules and policies and improving practices

98. The questionnaire responses and interviews indicate that 26 organizations have made revisions to their travel policies in the past few years, <sup>107</sup> with the exception of UPU and UNWTO, which have not made any recent revisions. Annex VI provides a summary of participating organizations' reforms, which were mainly aimed at, inter alia, achieving cost savings, reducing complexities, adopting new technologies, streamlining processes and improving conditions for travellers.

99. In spite of some commendable efforts made by some participating organizations to adapt and update rules, policies and practices in recent years, the present review found that there is a need for further improvements. For instance, some United Nations officials interviewed indicated that one of the main factors affecting the effectiveness and efficiency of air travel practices are the existing travel policies, which are not streamlined or updated in order to take into account new opportunities and challenges emerging in the air travel industry.

100. It should be recalled that the standards of accommodation for air travel (see chap. III above) are still governed by a series of General Assembly resolutions, with the earliest dating back to 1987. These include: resolution 42/214 reaffirming the entitlement to first class travel for the Secretary-General and heads of delegations of least developed countries only and authorizing the Secretary-General to grant exceptions to allow for first class travel on a case-by-case basis; resolution 45/248 giving the Secretary-General the discretion to allow for business class travel for official work; and resolution 53/214 granting the President of the General Assembly full authority over the use of funds allocated to his office in the budget for hospitality and travel, among other uses.

<sup>&</sup>lt;sup>106</sup> A/71/741, para. 71.

<sup>&</sup>lt;sup>107</sup> FAO, IAEA, ICAO, ILO, IMO, ITC, ITU, United Nations, UNAIDS, UNCTAD, UNDP, UNEP, UNESCO, UNFPA, UN-Habitat, UNHCR, UNICEF, UNIDO, UNODC, UNOPS, UNRWA, UN-Women, WFP. WHO. WIPO and WMO.

101. Additionally, a number of General Assembly decisions govern reporting on air travel, including decision 40/555 on reporting on expenditure on first class travel, and decision 57/589 on biennial reporting on standards of accommodation. In addition, a Secretary-General's bulletin from 1991<sup>108</sup> also governs the standards of accommodation and entitlements for non-staff, except consultants and individual contractors, whose travel status was modified in 2013.<sup>109</sup>

102. Aimed at addressing the fragmentation of the applicable standards of accommodation for high-ranking officials, staff and non-staff in a series of resolutions and decisions, the following recommendation is expected to bring these standards into a clear, consolidated and updated document and consequently enhance the efficiency of air travel management.

#### Recommendation 3

The General Assembly should request the Secretary-General to review its resolutions 42/214, 45/248A and 53/214 and decisions 40/555 and 57/589 governing the standards of accommodation for air travel and to submit proposals by 2019 for updating and consolidating the policies, taking into consideration developments in information systems and technology, the air travel industry, as well as good practices in other United Nations system organizations.

103. In spite of the increasing number of organs and subsidiary organs whose travel is funded by the United Nations system, the list of non-staff has not been updated. In this regard, the Inspector is of the view that the administrative instructions on standards of accommodation should accurately reflect the full list of organs and subsidiary organs where members' travel is funded by the United Nations.

104. For the United Nations, a 1991 bulletin<sup>110</sup> still governs the standard of accommodation for air travel for members of organs and subsidiary organs travelling in a personal capacity. It was not modified by ST/AI/2013/3, as in its resolution 67/254 the General Assembly decided against changing standards of accommodation for this category of travellers. To address this issue, the Secretary-General should review and update the bulletin related to standards of accommodation for air travel and entitlements for non-staff, in order to include the new organs and subsidiary organs established since the bulletin's issuance and remove bodies that are no longer in existence.

#### E. Establishing a strong framework of accountability

105. The General Assembly has, on several occasions, requested the Secretary-General to hold managers accountable and responsible for the judicious use of travel resources. <sup>111</sup> In order to achieve a strong accountability framework, travel policies should clearly define the roles and responsibilities of senior managers and travel unit staff, with adequate provisions for relevant training to encourage compliance with travel policies and to ensure that reforms are clearly understood. Additionally, given heightened security concerns worldwide, organizations must ensure that efficiency measures do not compromise the safety and security of staff. <sup>112</sup>

<sup>&</sup>lt;sup>108</sup> ST/SGB/107/Rev.6.

<sup>109</sup> ST/AI/2013/3.

<sup>110</sup> ST/SGB/107/Rev.6.

<sup>&</sup>lt;sup>111</sup> See, for example, General Assembly resolution 69/274, sect. IV, para. 8.

<sup>&</sup>lt;sup>112</sup> JIU/REP/2004/10.

# Role of senior managers

106. All managers have a duty to implement organizational regulations and rules.. Accountability of managers needs to be reinforced and enhanced in line with these new responsibilities by clarifying rules and establishing mechanisms for enforcement. This is a first step towards instituting a culture of accountability and responsibility for the effective use of programme budget resources.

107. Accountability for ensuring compliance with organizational travel policies necessitates the active involvement of senior management. A 2008 private institute review found that 45 per cent of travel managers surveyed reported a lack of support from management as the main barrier to improving compliance with travel policies and further highlighted that communication of policies through senior managers was "probably the single most effective way to raise awareness about travel rules, overcome resistance to any required changes and promote compliance with the policy". <sup>113</sup> Proactive engagement and communication by senior managers is particularly vital in regard to air travel, as they must coordinate closely with travel units.

108. The Inspector is of the view that, in line with the JIU report on accountability frameworks in the United Nations system, executive heads must clearly delineate the functions and responsibilities of staff involved in the management and processing of travel, with clear descriptions of who is responsible for what and the thresholds required to escalate a decision. Regulations, rules and decisions delegating authority should clearly indicate who is accountable at each step of the organization's travel activities. 114

#### Role of travel unit staff

109. Based on information received from the participating organizations on the responsibilities and structure of their travel units, the functions of these units are mostly limited to the booking and purchasing of tickets and ensuring that regulations on travel and fares are properly applied. In general, travel units are not well equipped for assessing and adopting new innovations, due to the high volume of routine procedural and administrative work and limited staff capacity.

110. A proactive approach requires that travel units be versatile and able to devote time to taking advantage of emerging travel market opportunities and innovative working methods. In this regard, the job descriptions of travel unit staff should be regularly updated to account for the evolving nature of the air travel industry, reflect the upgraded skills necessary to keep pace with changes, and further promote greater coherence between the job description and the day-to-day work of the staff members involved in travel activities. Work plans and performance assessments should also include clear goals to ensure regular upgrading of skills through relevant training.

<sup>&</sup>lt;sup>113</sup> Carlson Wagonlit Travel Management Institute, *Playing by the Rules: Optimizing Travel Policy and Compliance* (2008), pp. 62-64. Available from

 $www.carlsonwagon lit.it/export/sites/cwt/it/countries/it/cwt\_news/cwt\_eventi/playing\_by\_the\_rules\_handbook.pdf.$ 

<sup>&</sup>lt;sup>114</sup> JIU/REP/2011/5, para. 95.

<sup>&</sup>lt;sup>115</sup> JIU/REP/2011/5, para. 88.

## Improving training and knowledge on air travel policies and practices

111. Travel unit staff should be sufficiently trained and versed in the complexities and intricacies of air travel policies to explain to travellers the cost savings or other benefits at stake with the implementation of travel policy revisions. They should also be sufficiently knowledgeable to respond to inquiries and be able to organize and conduct briefings and training sessions on the travel policy, booking processes and tools.

112. In reference to the data provided on training, different methods and tools for training are used by the United Nations system organizations. For instance, 15 of them report that they organize inperson or online training sessions, workshops or briefing sessions on air-travel-related issues, either for all staff or only for those engaged directly in air-travel-related matters. <sup>116</sup> Each United Nations system entity should assess the effectiveness of training offered and share its findings through the platform of the Inter-Agency Travel Network (IATN) to identify best practices and tools for replication.

113. The Inspector is of the view that the executive heads of the United Nations system organizations, that have not yet done so, should ensure that their travel policies are well communicated, available and accessible on the intranet by all staff in a user-friendly format. To this end, they should also assess their training and communication strategy related to travel policies in order to minimize risks and enhance buy-in.

#### Duty of care for the safety and security of travellers

114. Given that the most important asset of any organization is its human resources, staff safety, productivity and well-being should remain a non-negotiable consideration when planning and organizing mission travel. Attention must be paid to employees' work-life balance by managing demands for travel and eliminating unnecessary trips, since air travel conditions have deteriorated over the years. This, in turn, can help to reduce the carbon footprint of the United Nations system, where air travel represents the main emissions source for 83 per cent of participating agencies.<sup>117</sup>

115. To ensure that only essential travel is undertaken, FAO, ILO and UNIDO have introduced limits on the number of days per calendar year that staff members can travel on official business, depending on grade level and work requirements. The Inspector considers the establishment of such thresholds as a good practice to further staff well-being and limit unnecessary travel, and invites all United Nations system entities that have not yet done so to consider the feasibility of establishing limits on the number of days staff members can travel on official business, taking into account the particularities of job functions and the mandate of each organization.

116. The Inspector welcomes as a good practice with regard to duty of care to staff the collective agreement on travel conditions between ILO and its staff union, which was signed in 2013 and in which the International Labour Office commits the organization to ensuring that "travel takes place

<sup>&</sup>lt;sup>116</sup> ILO, ITC, United Nations, UNAIDS, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNOPS, UNRWA, UN-Women, WFP, WHO and WIPO.

<sup>&</sup>lt;sup>117</sup> UNEP, Greening the Blue Report 2016: The UN System's environmental footprint and efforts to reduce it. Available from

 $www.unep.org/sustainability/sites/unep.org.sustainability/files/publications/moving toward\_digi\_broch-2.pdf.$ 

having full regard to safety and health considerations, without undue fatigue or stress". <sup>118</sup> While all United Nations system organizations currently have provisions for medical clearance of staff prior to travel, such provisions should be made mandatory in all organizations as a precondition for receiving a travel authorization. Psychological clearance may also be considered as a requirement for travel to hardship duty stations, with WFP having such provisions in place for travel to duty stations classified in the D and E categories. <sup>119</sup>

117. Organizations must also ensure strict compliance by staff with the requirement for them to receive the necessary security clearance, such as through the travel request information processing system, and must ensure that they have completed mandatory training on basic and advanced security in the field as well as any additional security training required by their organization.

118. According to the requirements of the Department of Safety and Security, all organizations should have provisions in place for travel on airlines and routes that meet the necessary safety standard. <sup>120</sup> In the light of the evolving global security situation, the Inspector is of the view that route safety must be monitored and assessed continuously and security updates communicated immediately to relevant offices authorizing and processing travel.

<sup>&</sup>lt;sup>118</sup> Collective Agreement on Travel Conditions between the International Labour Office and the ILO Staff Union. Available from www.ilostaffunion.org/new/wp-content/uploads/Collective-agreement-signed-GV-CLK-13.12.2012.pdf.

<sup>&</sup>lt;sup>119</sup> All duty stations are placed by the International Civil Service Commission in one of six categories: A, B, C, D, E and H. The H category comprises headquarters duty stations and other duty stations in similar locations where the United Nations has no developmental or humanitarian programmes. The A to E categories comprise all other duty stations classified by order of difficulty of conditions of life and work. Source: ST/IC/2009/25.

<sup>120</sup> JIU/REP/2016/9.

# VII.MODERNIZING AIR TRAVEL TOOLS AND STRENGTHENING COLLABORATION WITH SERVICE PROVIDERS

#### A. Use of enterprise resource planning systems for travel management

119. Enterprise resource planning systems constitute powerful tools for managing resources and reporting on and analysing data. The travel management module of the enterprise resource planning system includes functions for automating the travel process, such as: advanced travel requests, travel approvals, planning and booking, and travel expense accounting integrated into a financial accounting system. Such systems can provide support for more effective travel management by enhancing planning, controls, monitoring and reporting, as well as transparency and accountability.

120. The review found that most United Nations system organizations have customized their enterprise resource planning system travel modules as a result of variances in their business processes and the need to accommodate the particularities of their travel policies. Some have limited capacity to provide detailed travel statistics, owing to the utilization of information technology systems outside the enterprise resource planning system. Currently, 23 organizations<sup>121</sup> have travel management partially or fully integrated into their enterprise resource planning systems. The present section reviews some of the benefits in travel management that organizations can and have already realized through the implementation of the travel management module in their enterprise resource planning systems, in particular: (a) improving management of travel resources, transparency and accountability; and (b) reducing administrative burden.

#### Improving management of travel resources, transparency and accountability

121. Travel data becomes more available with the implementation of the travel module of enterprise resource planning systems, which allows for enhanced transparency and accountability through better audit trails and expenditure control and serves as a tool for budget controls at duty stations. The travel module also permits the integration of online booking tools, leveraging the availability of travel data to increase purchasing power and negotiate higher discounts. As a unified, common system for the entire organization, the enterprise resource planning system further allows the development of a global service delivery model for travel services, with the creation of regional travel hubs that can result in the standardization of the travel process and a more consistent application of travel policies.

122. Enterprise resource planning systems also allow departments to actively plan and monitor their travel activity and expenditures on a real-time basis, enhancing transparency and consistency in the application of business processes. For example, some organizations (e.g. WHO and ILO) have systems that can provide data in the form of real-time administrative management dashboards that allow managers to monitor their department's performance (and the performance of other units or departments) against key performance indicators on travel. In addition, travel costs can be calculated, and the detailed breakdown of all cost components for each trip is visible in the system.

123. The availability of increased data on travel should also allow organizations to provide more detailed analysis of travel expenditures to senior management and legislative bodies to support

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<sup>&</sup>lt;sup>121</sup> FAO, IAEA, ICAO, ILO, IMO, ITC, ITU, United Nations, UNAIDS, UNCTAD, UNDP, UNEP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNODC, UN-Women, UNWTO, WFP, WHO and WIPO. The enterprise resource planning system travel module is under consideration in UNRWA. There is no such system in UPU. No response was received from UN-Habitat or WMO.

decision-making. Such analyses should include, for instance, information on the extent to which the new travel policies are being complied with and the impact of the changes in policy and procedure in terms of reducing costs and increasing efficiency.

#### Reducing administrative burden

124. Organizations interviewed by JIU report that their enterprise resource planning systems have allowed them to improve and streamline their travel arrangements and workflows, reduce manual input and errors, and achieve significant efficiency gains. For instance, the processing time for travel is reduced through the submission of travel requests directly into the system by staff, an electronic approval process, and, following complete verification, automatic generation and transmission of the travel authorization and purchase to the traveller and the travel agent, respectively.

125. The use of enterprise resource planning systems has resulted in the reduction of the number of approvals required in the travel process from 10 to 3 in some organizations, 122 thereby saving considerable time and transaction costs. In addition, enterprise resource planning systems open up the potential for travel authorization claims processing to move towards an expost facto spot-check approach, which dramatically reduces the administrative overhead costs and improves processing time, resulting in faster travel claim settlements for travellers. Internal discussions were ongoing in the United Nation Secretariat on how to achieve the switch from routine approval to expost facto audit.

126. By way of example, in 2012 FAO implemented a new custom-built, end-to-end travel solution within its enterprise resource planning system to administer international travel, from planning and trip administration to payment and final reconciliation. The system is fully integrated with the other modules of the enterprise resource planning system (including human resources, finance and procurement) and incorporates fully automated workflows between the parties involved in travel administration, such as travel agents, transaction processors, budget approvers and supervisors. The FAO travel system includes all international and statutory (entitlement) travel and will include all local travel by September 2017.

127. Given the clear benefits of enterprise resource planning systems, the Inspector is of the view that the executive heads of United Nations system organizations should continue to streamline their enterprise resource planning systems with a view to reducing unnecessary customization and taking advantage of an integrated travel module.

# B. Building strong partnerships with service providers

128. The establishment of effective partnerships among United Nations system organizations, travel management companies and air carriers can potentially lead to considerable reductions in air travel costs. As these travel service providers are professionals operating in a highly competitive market, travel managers in the United Nations system should have a vested interest in closely communicating and monitoring their relations with these entities in order to leverage the best possible arrangements. <sup>123</sup>

<sup>&</sup>lt;sup>122</sup> ILO, United Nations and UNESCO.

<sup>&</sup>lt;sup>123</sup> JIU/REP/1995/10, para. 93.

129. In this regard, in interviews with JIU, the Advisory Committee on Administrative and Budgetary Questions and the Office of Internal Oversight Services (OIOS) expressed the need to ensure coordination and cooperation among the United Nations system entities at each duty station, in order to achieve greater competition among vendors and a better commercial negotiating position. The United Nations system organizations should take advantage of opportunities for sharing the same travel services and leverage the greater volume of their collective travel activities to strengthen their bargaining power.

# Travel management companies

130. Travel management companies are business travel agents that manage the travel requirements of an organization, as defined in the contract with the airline carriers. Services provided by travel management companies include making reservations, issuing tickets, assisting in visa processing, providing data and analytics on business travel spending, providing online booking tools, helping organizations to benefit from opportunities offered by the air travel market, managing crises involving travel, tracking travellers, and providing information and training to staff on new technologies.

131. United Nations system entities, both at headquarters and in the field, have undertaken either joint or individual procurement of travel management companies in order to generate savings through volume purchases. The Inspector considers as a good practice the selection of a single travel management company by 13 Geneva-based international organizations. Two travel management companies service the Rome-125 and Vienna-based organizations, while three travel management companies service the New York-based organizations. However, some organizations, such as IAEA and ITU, have a centralized global travel management structure due to their limited field presence. While the United Nations Procurement Manual provides the option for an organization to award a contract to multiple vendors to allow for greater competition, this does not occur in practice at the headquarters of the United Nations system organizations.

132. While UNDP previously used the same travel agent as United Nations Headquarters, together with UNFPA and UN-Women it negotiated a joint procurement for a travel management company. UNDP manages the contract on behalf of the United Nations Capital Development Fund, UNFPA and UN-Women. UNDP reported to JIU that the change in travel management companies led to a 25 per cent savings in agency fees and a 20-40 per cent savings in travel processing time in 2015.

133. The United Nations has reported that any discernible benefits from split awards is exceeded by additional expenses, including paying for duplicate set-ups of travel agency operations, as well as duplicate global reservation systems, sets of agents, location costs, telecommunication set-ups and administrative support. Consequently, the United Nations encourages awards to a single agency as an industry best practice in the private and public sectors. <sup>128</sup> In this context, the Inspector is of the view that New York-, Rome- and Vienna- based organizations should assess the possibility of addressing any existing constraints that may impede the joint procurement of a common travel management company in order to further rationalization and enhance cooperation.

<sup>&</sup>lt;sup>124</sup> GAVI Alliance, ILO, ITC, ITU, The Global Fund, UNAIDS, UNHCR, UNICEF, UNOG, WHO, WIPO, WMO and WTO.

<sup>&</sup>lt;sup>125</sup> BCD Travel (WFP) and Carlson Wagonlit (FAO).

<sup>&</sup>lt;sup>126</sup> American Express (the Comprehensive Nuclear-Test-Ban Treaty Organization, IAEA, UNODC and UNOV) and Carlson Wagonlit (UNIDO).

<sup>&</sup>lt;sup>127</sup> Ultramar (UNCFD, UNDP, UNFPA, UN-Women), American Express (United Nations Headquarters) and Omega (UNICEF).

<sup>&</sup>lt;sup>128</sup> A/66/739, para. 55.

134. The IADB practice of centralizing global air travel management under a single travel management company to provide services to country offices through several regional call centres, with ticketing and payment centralized from headquarters, has resulted in: (a) transparency in travel agency costs; (b) universal compliance with travel policies; (c) country office access to negotiated airline discounts; (d) more robust reporting for decision-making; and (e) globally negotiated airfares. In the light of developments in the travel industry and potential cost savings, United Nations system organizations should assess the potential costs and benefits of adopting a centralized approach to their global travel management.

# **Monitoring performance**

135. Establishing strong partnerships with travel agencies requires careful outlining and monitoring of expectations for service delivery and performance. There is a need to ensure that appropriate indicators and monitoring mechanisms are developed and implemented to assess the performance of travel management companies in relation to efficiency aspects as well as cost-effectiveness and the quality of services provided.<sup>129</sup>

136. Organizations can assess a travel management company's performance based on its contractual obligations through service level agreements<sup>130</sup> that define the expected service level as well as the related key performance indicators. These must be clearly defined, and contracts must specify the frequency and methodology for assessment and reporting.<sup>131</sup>

137. At the United Nations, the frequency and means of measuring key performance indicators has been included in the travel agency contract in Geneva following an OIOS audit in 2013,<sup>132</sup> and performance indicators have been included in travel agency contracts at the United Nations Headquarters and the United Nations Office at Nairobi. A service level agreement setting performance targets has also been incorporated into the travel agency contract of the United Nations Office at Vienna.<sup>133</sup>

138. As a good practice, UNOG has included "non-performance clauses" in its travel management company's contract that can result in financial penalties if the company does not provide services in accordance with the contractual obligations. Additionally, at UNESCO headquarters, 30 per cent of the travel agency transaction fees are linked to the quality of the service provided and the savings that the travel agency is able to obtain for the organization. IMO offers another good practice by comparing a sample of quotes offered by the travel management company to commercially available fares.

139. Some key performance indicators to monitor and evaluate air travel expenditure and to assess travel management company performance highlighted by United Nations system entities are outlined in annex VII and may be further reviewed and assessed through IATN to develop benchmarks and identify best practices. The Inspector therefore suggests that a common list of key performance indicators for travel be shared among all United Nations system travel units

<sup>&</sup>lt;sup>129</sup> See JIU/REP/2014/9.

<sup>&</sup>lt;sup>130</sup> A service level agreement is a contract between a service provider (either internal or external) and the end user that defines the level of service expected from the service provider. Such agreements are output-based in that their purpose is specifically to define what the customer will receive.

<sup>&</sup>lt;sup>131</sup> A/67/695, para. 49.

<sup>&</sup>lt;sup>132</sup> A/67/695, para. 49.

<sup>&</sup>lt;sup>133</sup> A/69/643, annex XXII, para. 9.

that monitor travel management companies, in order to permit the benchmarking and identification of best practices across the United Nations system.

#### **Improving communication**

140. In addition to closely monitoring the performance of travel management companies, improving communication can also enhance efficiencies in travel management. As a good practice, WFP proactively provides training to its travel management company on its air travel policy, in order to increase transparency and accountability in the management of air travel activities. This monitoring and proactive approach aims to ensure that the company is fully aware of how the travel policy is to be implemented. The travel unit at United Nations Headquarters also demonstrates a good practice by closely coordinating with its travel management company to introduce revisions to existing processes (e.g. not permitting reservations prior to obtaining travel approval through Umoja) that have resulted in fewer travel management company staffing requirements and a corresponding 12 per cent savings in its annual budget. The Inspector is of the view that similar proactive measures to improve communication with the travel management company should be adopted by organizations system-wide to enhance the efficiency and effectiveness of air travel management.

#### Benefits of joint negotiations and global contracts with airline carriers

141. By leveraging the volume of air ticket purchases, organizations based at the same duty station can negotiate special corporate fares, either directly with airlines or with airline alliances. For instance, 13 Geneva-based organizations with a combined air travel volume of CHF 90 million (2015) negotiated 20 corporate fare agreements with major airlines and alliances, resulting in an estimated cost savings of CHF 20 million. The Inspector considers this to be a good practice, observing that an increasing number of these agreements include not only discounts for routes to and from Switzerland but also special conditions for other routes.

142. Additional substantial savings were also generated through the negotiation of flexible ticket conditions, such as waivers for standard ticket restrictions related to refunds, changes, etc. UNOG officials interviewed reported that the financial savings and flexibility obtained would not be possible without the purchasing power they achieve through joint negotiations and also indicated that these negotiations were focused on decreasing the price of fares in addition to other benefits. The Inspector concurs with the OIOS recommendation that agreements with airline carriers should be reviewed in order to take greater advantage of market opportunities such as rebates, discounts and concessions from air carriers. 134

143. The Rome-based agencies (FAO, WFP and IFAD) moved to global contracts with Emirates and Sky Team to maximize flexibility in travel purchases, allowing them to benefit from interlocation pricing through the consolidation of global volumes to cover both regional and country offices, improve services and reduce costs for operations worldwide. Benefits reported include: (a) having one agreement with multiple carriers with worldwide coverage; (b) having access to exclusive services such as corporate recognition; (c) single data monthly reporting; and (d) increased savings and flexibility to support the Rome-based agencies' global air travel needs. 135

144. The review found that the consolidation of global volumes constitutes a good practice utilized by most organizations system-wide. For instance, in Vienna, UNOV, UNODC, IAEA and the

<sup>&</sup>lt;sup>135</sup> IATN, Report of the XII Meeting, 23-25 September 2015, p. 10.

Comprehensive Nuclear-Test-Ban Treaty Organization have a joint procurement contract, with the travel management company utilizing the combined travel volume to negotiate on their behalf with the airlines. In New York, United Nations Headquarters, UNDP and UNICEF work collaboratively on behalf of the United Nations Capital Development Fund, UN-Women and UNFPA to negotiate airline agreements. They have negotiated global airfare agreements with discounted fares that are also available to the field offices, and they are currently maintaining these and expanding to nearly 45 airline agreements.

145. The Inspector welcomes as a good practice collaboration between duty stations to mutually benefit from corporate agreements. For instance, United Nations Headquarters and UNOG worked with a global airline alliance to allow the respective offices to use each other's local airline discounts. This extends discounts on 13 air carriers for travel to the two duty stations with the largest travel volume. The United Nations Secretariat indicated that expanding this global approach is partly dependant on the full deployment of the Umoja travel module, which, by providing global airline usage data, will make it possible to arrange travel on a global basis and to negotiate with airlines at a global level. While this is a future ambition, it may be noted that many discounts and the most economic tickets tend to be available at the local and regional levels, rather than at the global level. <sup>136</sup>

<sup>136</sup> A/69/643, annex XXII, para. 5.

# VIII. STRENGTHENING PLANNING, MONITORING AND BUDGET OVERSIGHT IN AIR TRAVEL MANAGEMENT

146. In the present chapter, the Inspector reviews some measures that can be taken to ensure rationalization of travel funds within the United Nations system organizations, including their necessary integration into programme budgets, the imposition of mandatory travel budget ceilings and the tracking and recovery of refunds from unused air tickets. The review also highlights the importance of internal or external audits of air travel activities as a key requirement in assessing organizational capacity to determine whether results are achieved in line with the organization's regulations, rules and policies.

# A. Advance planning, booking and purchasing

## Importance of air travel planning

- 147. Good planning for air travel from the budgeting phase to the implementation phase provides opportunities for greater efficiencies and cost savings. For mission travel, it makes it possible to bundle missions together (covering several meetings or destinations in one trip), which has the potential to reduce travel costs. It also allows for an organization-wide view of travel schedules, in order to identify priority meetings and keep all other meetings requiring travel to a minimum.
- 148. Under some circumstances, advance planning is simply not feasible. However, for preplanned events where dates and participation are known, travel should be finalized in advance in order to enhance the efficiency and effectiveness of air travel management. In this regard, the calendar of international conferences and meetings adopted each year by the General Assembly is a good tool for achieving this goal, since it provides the necessary information on the location as well as on the topic of each meeting. This tool can help all United Nations system organizations prepare their travel plans well ahead of time.
- 149. Being aware of the potential for cost savings through advanced travel planning, 21 United Nations system organizations have incorporated such rules into their travel policies, stipulating fixed or suggested deadlines ranging from 7 to 30 days. FAO, IMO and WFP have an informal policy in which travellers are encouraged to book in advance. Annex VIII provides information to illustrate the different practices of these organizations.
- 150. Not only must advance planning rules be incorporated into travel policies, but compliance must be enforced through key performance indicators that are measured regularly and through accountability mechanisms. Concerning statutory travel, staff not using the lump-sum option should indicate their travel plans well in advance in order to permit the timely purchase of tickets, with a view to avoiding missed savings. Such provisions provide a clear framework for effective advance planning of air travel, given that their implementation is strictly enforced.
- 151. In conclusion, the executive heads of United Nations system organizations should make every effort to reduce short-notice travel and to ensure that the officials involved in travel management have taken into consideration the calendar of official conferences and meetings in their advance planning, in order to enhance efficiency and effectiveness.

#### Advance booking and purchasing

152. Booking refers only to the act of reserving a seat on a flight — not the actual purchase of the ticket. The travel agencies interviewed indicated that booking tickets in advance without purchasing does not guarantee cost savings, as ticket costs are tied to the date of purchase and tend to increase closer to the date of travel. <sup>137</sup> The advance planning policies of United Nations system organizations vary considerably in this regard, and cover aspects such as how far in advance travel arrangements or requests should be initiated, <sup>138</sup> travel authorization received <sup>139</sup> and tickets booked and purchased. <sup>140</sup> While 15 organizations stipulate deadlines for purchasing air tickets, <sup>141</sup> four of these only encourage (UNDP, UNFPA and UNRWA) or recommend (IMO) staff to do so.

# 153. The Inspector is of the view that advance booking and purchasing deadlines, as a formal requirement, should be considered as a good practice and replicated by all organizations in their updates to their air travel policies.

154. Some best practices stem from the private sector entities interviewed, which require travel to be approved before booking, with little intervention from managers. Tickets are issued on the same day or no more than 24 hours after the request, to account for the fact that the travel company cannot hold the seat and price for any longer than that time frame. The JIU review found that the private sector rarely takes more than two days to provide travel approvals and that, in fact, it is normally an automated process — recognizing the fact that price effectiveness relies on the ability to make a decision quickly.

Table 6. Average aggregated savings from advance purchase on nine routes in United States dollars (in United States dollars and as a percentage)

	First	Business	Economy
Savings from booking 31 days in advance compared with 5 days in advance	\$1 937 (17%)	\$966 (18%)	\$769 (42%)
Savings from booking 60 days in advance compared with 5 days in advance	\$2 591 (23%)	\$1 095 (25%)	\$795 (75%)

Source: JIU research.

155. The research conducted by JIU confirmed the above-mentioned benefits of advance purchase. Table 6 provides the average aggregated savings on round-trip tickets in three fare classes (first, business and economy) for nine frequently used routes (outlined earlier in chap. IV), for tickets purchased five days, 31 days and 60 days prior to departure. As per the findings, tickets purchased one month (31 days) in advance compared with five days in advance in first and business class generate an average aggregated savings of 17-18 per cent, rising to 42 per cent for economy class. Similarly, tickets purchased two months (60 days) in advance compared with five days in advance

<sup>&</sup>lt;sup>137</sup> Changes imposed by airlines in the reservation systems now require tickets to be purchased within a short time period after booking, usually within 24 hours to guarantee the booking and the price. Previously, bookings could be guaranteed for up to a week prior to payment. However, in their quest to maximize revenues, airlines are placing a premium on purchasing after booking.

<sup>&</sup>lt;sup>138</sup> ICAO, ILO, UNEP, UNICEF and WIPO.

<sup>&</sup>lt;sup>139</sup> ITU and WHO.

<sup>&</sup>lt;sup>140</sup> UNESCO, UNHCR and UNOPS.

<sup>&</sup>lt;sup>141</sup> IAEA, IMO, ITC, United Nations, UN-Women, UNAIDS, UNCTAD, UNDP, UNEP, UNFPA, UNODC, UNRWA, UPU, WFP and WMO.

generate an average aggregated savings of 23-25 per cent in first and business class and a major savings of 75 per cent in economy class.

156. The percentage of savings achieved by purchasing tickets one and two months in advance — compared with purchasing five days in advance — for each of the nine routes is as follows: for economy class, savings ranged from 8 per cent to 62 per cent for all routes, with one exception. For premium economy, a mixed scenario emergences, with savings in the range of 8 per cent to 100 per cent on four routes with available data. For business class, savings range from 3 to 47 per cent for two thirds of the routes. Finally, for first class, the savings range from 10 per cent to 36 per cent on six routes. Annex IX shows savings on major routes by class of travel.

157. Given that the vast majority of trips in all United Nations system organizations are either in business or economy class, the potential for savings through the advance purchase of tickets at least one month in advance is significant (and is even higher for two months) and should be taken into consideration by organizations in future revisions to their respective travel planning policies.

158. The implementation of the following recommendation is expected to enhance control and compliance in air travel management.

#### **Recommendation 4**

The executive heads of the United Nations system organizations that have not yet done so should ensure by 2019 that effective measures are taken to enforce and monitor compliance with an advance purchase policy, including incorporation of advance planning rules and key performance indicators in travel policies that are regularly measured.

#### Challenges faced by organizations in advance planning and booking

159. It is important to highlight that for organizations undertaking humanitarian response or emergency operations, such as UNHCR, UNICEF and WHO, advance planning represents a challenge, and it is not always feasible to purchase tickets well in advance. The same holds true for travel to conduct investigations, as well as travel for urgent meetings that may have been organized at the last minute. For the United Nations Secretariat, the Secretary-General indicated in his report A/71/741 that compliance with the advance purchase policy had been adversely affected by the transition to the Umoja travel module and recognized that, in the future, better planning would be required to achieve significant improvement at the departmental level.

160. For meetings and conferences known about well in advance, late confirmation by non-staff participants in United Nations events — particularly last-minute nomination of representatives by governments — is a challenge highlighted by several organizations financing the trips of this category of travellers. This leads to increased travel costs and creates a greater administrative workload for the organization. WIPO has reported that, following the establishment of an eight-to-nine-week deadline for Member States to provide contact information for participants, post-

<sup>&</sup>lt;sup>142</sup> No cost savings for the Geneva-Nairobi route for 31 days advance purchase compared with 5 days.

<sup>&</sup>lt;sup>143</sup> New York-Geneva, Geneva-Nairobi, Beirut-New York, Paris-New York.

<sup>&</sup>lt;sup>144</sup> UNICEF has noted that, owing to the shifting emergency and humanitarian landscape, 63 per cent of all ticket requests in 2016 were made within seven days of departure — a 20 per cent increase compared with 2015. To keep last-minute ticket costs in check, an international rate desk audit was integrated into the UNICEF booking process to search for last-minute market deals (seat sales, distress inventory, web fares, etc.).

deadline changes have been rare. The Inspector is of the view that Member States can play an important role in assisting organizations to meet compliance requirements by respecting established deadlines for the conveyance of participant information for meetings and conferences.

#### B. Control over the air travel budget

- 161. Two prerequisites for the sound management and effective oversight of all costs relating to travel are having comprehensive, consolidated data on the air travel budget under all sources of funds and integrating travel within programme budget development. For instance, the General Assembly has repeatedly requested the Secretary-General to submit, in the context of the proposed programme budget, comprehensive information on air travel and related expenditures and provisions sought for each department or office across all sections of the budget. 145
- 162. Placing a ceiling on travel budgets has become a common measure to reduce travel expenditures in international organizations and government agencies. For example, one Member State<sup>146</sup> interviewed by JIU indicated that its travel budget had been cut in recent years by imposing a 30 per cent reduction on travel spending for each of its agencies, in order to use travel funds judiciously and to achieve cost savings. By way of good practice, the savings have been partly funnelled into developing ICT infrastructure as an alternative to air travel.<sup>147</sup>
- 163. Though a seemingly simple measure, reductions on travel budgets necessitate the pursuit of effective and efficient utilization of resources for air travel. This requires careful planning, consultation and collaboration to determine the areas in which travel expenses can be reduced without undermining critical organizational functions or the effective accomplishment of organizations' mandates. Organizations must also consider how travel reductions can be made sustainably and examine the specific process changes and technology investments necessary to reduce their reliance on travel.
- 164. The United Nations General Assembly, when adopting the 2016-2017 budget, decided to reduce resources for staff travel by 5 per cent, in addition to a 10 per cent reduction in the overall budget. <sup>149</sup> Responses showed that other United Nations system entities have also reduced their air travel budgets through greater utilization of ICT tools (FAO, ITC, WHO, UNAIDS, UNFPA and UNRWA) or have set targets to reduce year-on-year the number of trips taken (the United Nations Environment Programme (UNEP)). For instance:
  - For the 2016-2017 biennium, WHO imposed a spending ceiling of 10 per cent less than that of the previous biennium for non-emergency staff travel at headquarters. The ceiling has led to an internal culture change, with staff being more judicious and cognizant of meetings that are not necessarily a priority.
  - UNAIDS has strictly applied travel ceilings at the departmental level since 2008, when its Executive Director committed to reducing travel costs by 25 per cent. Ceilings were budgeted and subsequently adjusted for each biennium on the basis of expenditures. Quarterly travel plans were also established, stating the allocated amount and remaining balance.

 $<sup>^{145}</sup>$  General Assembly resolutions 65/628, sect. IV, para. 13; 67/254, sect. VI, para. 6; and 69/274, sect. IV, para. 11.

<sup>146</sup> United States.

<sup>&</sup>lt;sup>147</sup> United States, Executive Office of the President, Memorandum M-12-12 (11 May 2012).

<sup>&</sup>lt;sup>148</sup> See General Assembly resolution 65/268, sect. IV.

<sup>&</sup>lt;sup>149</sup> A/69/787.

165. It is recommended that the executive heads should assess the feasibility of setting an annual ceiling on travel expenditures to exercise effective control and achieve cost savings and should regularly monitor that ceiling.

# C. Recovery of funds from unused tickets

166. Judicious use of the programme budget can be furthered by ensuring prompt recovery of funds from unused air tickets, with procedures and steps clearly detailed within travel policies and contracts with travel management companies. In the United Nations system entities, refunds on unused tickets are usually tracked and processed by the contracted travel management company in coordination with an organization's travel unit, and periodic reports on recovered funds are provided. Examples of good practices followed by some United Nations system entities are outlined below:

- At ITC, all refunds are managed by its travel team, which receives a monthly monitoring of refunds from its travel management company. In line with good practices, the refund process is fully automated and embedded in the enterprise resource planning system, and the travel team reports annually on the total amount refunded to ITC management. This cost recovery model allowed ITC to recover \$2.56 million in refunds on air tickets from 2010 to 2015, which constituted 9.6 per cent of the total invoiced amount for air, rail and visa costs for the six-year period.
- At UNESCO headquarters, the travel agency processes and credits airline refunds within five days and further absorbs all cancellation and/or change charges that were incurred due to no fault of UNESCO or the traveller.
- UNDP has deployed a system with its travel management company at headquarters, which calculates the residual value of unused tickets, submits a refund request to the airline and credits the corporate travel account.
- At the United Nations Secretariat, Umoja permits the organization to track refunds resulting from cancelled or unused air tickets. If a ticket needs to be changed or cancelled during the approval process, the travel unit is responsible for recording any refund due to the organization.
- In 2012, as a follow-up to an OIOS recommendation, UNOV collected \$221,000 from its contractor and withdrew from the new bidding exercise with UNIDO to take advantage of a better option.<sup>150</sup>

167. The Inspector is of the view that, as a good practice, all United Nations system entities should include provisions for the reimbursement, tracking and processing of unused tickets in travel management company contracts.

# D. Strengthening oversight mechanisms

168. Audits are an important monitoring tool to uphold internal controls in any organization. Consequently, organizations must show a commitment to assessing the quality of performance and compliance with regard to air travel activities on a regular basis. These assessments must be supported by follow-up mechanisms to ensure that appropriate reactive actions are taken, such as

<sup>&</sup>lt;sup>150</sup> OIOS Internal Audit Division audit report, Assignment No. AE2011/321/02, 16 August 2012.

confirming that recommendations emanating from audit findings are addressed in a timely and comprehensive manner.

169. The Inspector found that 15 United Nations system organizations<sup>151</sup> surveyed have conducted either internal or external audits for air travel since 2008 and regrets that five organizations<sup>152</sup> have not conducted a specific audit on air travel activities in the past decade, despite the importance of this mechanism that allows the organizations to identify their strengths and weaknesses. Instead, ITC conducts comprehensive pre- and post-control reports on travel, which are presented to senior management, while IAEA regularly reviews key performance indicators and service level agreements and also performs daily spot checks on ticket reservations to ensure that its travel management company complies with its travel policy. UNFPA and WFP additionally undertake audits on travel in the field in order to check compliance with travel policies and to ensure effectiveness and efficiency.

170. By way of comparison, other international institutions interviewed, such as IADB and the World Bank Group, use external expertise to monitor travel compliance and provide data on their respective travel spending patterns, conduct airfare audits, advise on industry practice and monitor contracts. They also use external professional expertise to manage and advise on travel, and they place the responsibility of enforcing the operational aspects of the travel policy on the travel management companies they work with. Given that air travel and related expenses constitute a major expenditure for most United Nations system entities, they must be carefully monitored and assessed to ensure conformity with policies and identify measures to further efficiency gains. Good practices and measures identified in this regard should be shared through the informal mechanism of IATN.

171. The implementation of the following recommendation is expected to enhance controls and compliance in air travel management.

#### Recommendation 5

The executive heads of United Nations system organizations should schedule periodic monitoring and assessment to ensure conformity with their own air travel policies, conduct periodic risk assessments and identify measures for further efficiency gains by their next budgetary cycle.

<sup>&</sup>lt;sup>151</sup> Organization and year of most recent air travel audit: FAO (2015), ICAO (2013), IMO (2015), ITU (2014), United Nations (2013, 2017), UN-Women (2015), UNDP (2015), UNESCO (2010), UNICEF (2016), UNHCR (2014/15), UNIDO (2014), UNOPS (2013), WFP (2008), WHO (2015) and WIPO (2012). UNCTAD noted that it is covered by audits of the United Nations Secretariat on air travel.

<sup>152</sup> IAEA, ITC, UNAIDS, UNRWA and UPU.

# IX: SOME MEASURES TO INCREASE EFFICIENCY GAINS AND COST SAVINGS

172. The General Assembly has repeatedly requested the Secretary-General as the Chair of CEB to explore all possible options, including various tools for enhancing the effective and efficient utilization of resources for air travel across the United Nations system. <sup>153</sup> In response to the Assembly's calls, a variety of measures have been used by the United Nations system organizations to further improve air travel management and achieve efficiency gains and cost savings as outlined below.

#### A. Alternatives to air travel

173. Most organizations interviewed, including in the private sector, indicated that the need for travel is substantially reduced with the increased availability, accessibility, affordability and use of modern communications tools and platforms, such as: teleconferencing, videoconferencing and other ICT means. The use of these alternative modes of communication reduces the need for time-consuming and expensive travel. Furthermore, it can contribute to increased staff productivity and provide greater scope for distance learning and training and for conducting remote meetings and interviews.

174. In its resolution 69/274, the General Assembly requested the Secretary-General to encourage the use of alternative methods of communication and representation by giving primary consideration to authorizing official travel only where direct face-to-face contact is necessary for mandate implementation.<sup>154</sup> Furthermore, in 2015, the Advisory Committee on Administrative and Budgetary Questions emphasized that the impact on productivity resulting from prolonged absences from the office while travelling should be taken into account to determine whether other means of representation and communication can be used instead.<sup>155</sup>

175. The review found that five organizations (ILO, United Nations, UNDP, UNHCR and UNODC) require programme managers to certify that alternative methods to travel have been carefully reviewed and were found not to be effective, prior to authorizing any official travel. The Inspector welcomes this as a good practice and is of the view that the executive heads of the United Nations system organizations should establish the above-mentioned certification requirements for travel authorization.

# Need to invest in communications technologies to enhance efficiency

176. While most United Nations system entities interviewed noted that they strongly encourage the use of teleconferencing, videoconferencing and webconferencing as an alternative to face-to-face meetings, access to such means as well as the availability of the necessary Internet bandwidth to utilize such tools effectively is not guaranteed, both across and within countries.

177. The present review found that some United Nations system organizations have taken positive steps towards investing in their communications technologies as an alternative to air travel. For example, UNDP provides access to videoconference equipment and e-meeting facilities to its

<sup>&</sup>lt;sup>153</sup> General Assembly resolution 65/268 annex, para. 2 (f).

<sup>&</sup>lt;sup>154</sup> General Assembly resolution 69/274, sect. IV, para. 8.

<sup>&</sup>lt;sup>155</sup> A/69/787, para. 29 and A/71/822, para. 3.

headquarters and country offices and actively encourages their use. <sup>156</sup> In addition, UNAIDS has established a global network of video-enabled Internet Protocol telephones for all its offices worldwide.

178. In the private sector, in response to a combination of recent security incidents and a strong message from management for greater cost-consciousness, alternative methods of communication are now more frequently used at Japan Tobacco International, and the total number of trips has fallen by 30 per cent over four years. An innovative measure utilized by OECD includes imposing an internal 0.5 per cent environmental tax on each air ticket purchased and utilizing the resultant annual earnings of 150,000 to 200,000 euros to enhance or purchase videoconferencing equipment.

179. The Inspector is of the view that organizations should consider investing a portion of savings achieved through the reduction of air travel to improve communications infrastructure, in order to ensure that travel reductions are sustainable over the medium and long term through the development of viable alternatives.

180. In order to increase efficiency gains and cost savings, the Inspector is of the view that executive heads of United Nations system organizations should proactively explore investing in communications technologies at the levels of headquarters, regional and country offices, with a view to reducing their dependence on air travel while continuing to carry out their mandated activities effectively and efficiently.

#### Limitation of trips and participants as a cost-saving measure

181. Greater scrutiny of the need for travel must be undertaken by the United Nations system organizations. Some good practices in organizations to establish limits on the number of travellers for system-wide adaptation are outlined below:

- Setting limits on the number of participants travelling to official meetings. This is applied by ITU, UNDP, UNFPA and WIPO. For instance, WIPO imposes a limit of one person for travel to a national event and two people for travel to international and regional events. Requests beyond the limit must be authorized in writing by the Director-General and must state the benefits to the organization for such participation. In UNDP and UNFPA, official delegations of two or more staff members in a similar substantive role, per bureau, require prior senior management approval to participate in United Nations meetings. The WHO travel policy stipulates that, where more than one staff member is travelling to attend the same meeting, all staff travelling must have a specific role at the meeting.
- Organizational representation in meetings by staff from offices located within the region. In UN-Women, while the number of projects has increased, travel spending has remained constant, partly due to the strong encouragement of the use of videoconferences to replace some travel. In addition, staff members from field offices are requested to represent the organization at regional and local meetings when required.
- During interviews, it was noted that holding meetings in alternative locations could generate considerable travel expenses and create a greater administrative workload for the organizations.

<sup>&</sup>lt;sup>156</sup> UNDP Office of Audit and Investigations, "Performance audit of travel management in UNDP", report No. 1446, 24 June 2015.

182. The Inspector is of the view that the executive heads of United Nations system organizations that have not yet done so should consider establishing guidelines to limit the number of staff travelling to participate in official meetings and should furthermore encourage organizational representation in such meetings by staff based in the same region, where necessary expertise exists.

## B. Use of low-cost carriers for short trips, self-ticketing and non-refundable tickets

183. The rapid growth in the global airline industry has been driven by low-cost carriers, which control approximately 25 per cent of the worldwide airline industry and have been expanding rapidly in emerging markets.<sup>157</sup> Such carriers typically operate directly online, and tickets must be purchased immediately upon reservation to avoid price increases. Some organizations based in Europe, such as FAO and UNHCR, are actively encouraging the use of low-cost carriers for short trips as a means of increasing cost savings.

184. In October 2015, the United Nations Secretariat promulgated a low-cost travel procedure<sup>158</sup> permitting any office to utilize a self-ticketing option for official travel when total travel costs do not exceed \$500 or its equivalent. This policy was subsequently replicated by WHO. The Inspector welcomes the revision introduced by the United Nations Secretariat in May 2017 increasing the threshold to \$1,000 — a policy replicated by ITC.<sup>159</sup> In line with best practices, this procedure is aimed at streamlining the administrative process and avoiding the transaction fee, in addition to giving travellers greater flexibility in making travel arrangements while continuing to comply with travel policies.

185. The Inspector is of the view that the executive heads of the United Nations system organizations that have not yet done so should implement measures to utilize pre-approved low-cost carriers for trips of short duration and to further the utilization of self-ticketing by staff for mission travel up to \$1,000.

186. The present review found some organizations questioning the cost-effectiveness of purchasing refundable tickets, with UNHCR reporting that, despite losing, on average, 5 out of every 100 non-refundable tickets purchased, it is still able to generate considerable cost savings through the purchase of such tickets, which are significantly cheaper. WHO instructs travellers to use non-refundable tickets whenever possible, while UNDP and UNFPA have strengthened requirements to ensure the purchase of the most economical fare available, including restricted and non-refundable fares. To reduce the probability of losses due to changes and cancellations, UNDP requires that travel plans be confirmed prior to ticket issuance.

187. The Inspector is of the view that the executive heads of the United Nations organizations that have not yet done so should consider piloting the purchase of restricted non-refundable tickets for flights within the same continent or subregion and should report on corresponding savings generated or additional costs incurred, in order to assess the feasibility of continuation and/or broader-scale implementation.

<sup>&</sup>lt;sup>157</sup> 2015 Aviation Trends. Available from <a href="https://www.strategyand.pwc.com/perspectives/2015-aviation-trends">www.strategyand.pwc.com/perspectives/2015-aviation-trends</a>.

<sup>&</sup>lt;sup>158</sup> United Nations Memorandum, 'Introduction of self-ticketing option for Low Cost Travel for staff and non-staff members when travelling on official business', (9 October 2015).

<sup>&</sup>lt;sup>159</sup> UNOG Broadcast message to all staff on 18 May 2017.

# C. Effective use of online booking tools

188. The review found that, currently, 14 United Nations system organizations<sup>160</sup> are using online booking tools and 5 others are considering their development in their enterprise resource planning system.<sup>161</sup> An online booking tool is an Internet travel portal that is specifically designed to support the travel policies, approval processes and preferred vendors for an organization.<sup>162</sup>

189. Online booking tools work best for point-to-point travel and offer a range of potential benefits, including: significantly lower transaction fees compared with direct bookings with travel agencies; the capturing of comprehensive data on air travel across the United Nations — a need repeatedly stressed by the General Assembly; <sup>163</sup> and help with management by benchmarking trends in air travel and providing data on travel patterns. <sup>164</sup> However, the full benefits of an online booking tool are maximized only when linked to the enterprise resource planning system, which may require considerable upfront investments.

# Practices of some participating organizations

190. As a good practice, UNAIDS, UNFPA, UNICEF and UNHCR either mandate or encourage the use of online booking tools for simple point-to-point travel as well as for trips within Europe and the United States. Conversely, ICAO, ILO, ITC and UNESCO have not implemented an online booking tool, noting that it would not meet their business requirements given that their travel patterns, such as the frequent use of multiple-leg journeys, would limit any potential savings. For the United Nations Secretariat, the use of online booking tools is low, due to the complexity of its travel policy<sup>165</sup> and its enterprise resource planning system, which is not yet fully operational. Opportunities to realize savings were missed, according to the former travel management company for UNOG, which estimated that approximately 30 per cent of requests from UNOG could have been processed through an online booking tool, particularly for direct flights, which would have resulted in significant reductions in transaction fees.

191. The review found several instances of other United Nations system entities achieving or expecting to achieve considerable savings through the implementation of online booking tools:

• WIPO uses an online booking tool for purchasing tickets for all point-to-point travel by all offices globally. Launched in 2014, the online booking tool was used to purchase 67 per cent of all tickets in 2015. The tool has increased the purchase of restrictive fares, resulting in a lower average of ticket fares. It has also stimulated advanced booking and purchasing by creating greater awareness of ticketing deadlines. The average price of tickets issued by the travel management company has since fallen by 17.8 per cent and transaction fees by 38 per cent, as

<sup>165</sup> ST/AI/2013/3.

<sup>&</sup>lt;sup>160</sup> ITU, United Nations, UNAIDS, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNOPS, UNWomen, UNWTO, WHO and WIPO.

<sup>&</sup>lt;sup>161</sup> IAEA, ITU, UNCTAD, United Nations Headquarters and UNOG. IAEA has conducted some testing of online booking tools, but as it is in the process of implementing a new enterprise resource planning system for travel, further testing has been postponed until after that system is fully implemented. IAEA should be on target to implement the use of online booking tools by 2020.

<sup>&</sup>lt;sup>162</sup> See www.casto.com/wp-content/uploads/2016/01/CastoNewsletter\_OBT2013.pdf.

<sup>&</sup>lt;sup>163</sup> General Assembly resolution 65/268, sect. IV, para. 11.

<sup>&</sup>lt;sup>164</sup> Statement by the Permanent Mission of the United States to the United Nations to the Fifth Committee on standards of accommodation for air travel, 4 March 2013.

tickets purchased through online booking tools incur a transaction fee of CHF 25 instead of CHF 135 for purchases through the travel agent.

- UNDP and UNFPA deployed a common online booking tool in 2015 and successfully integrated it into their enterprise resource planning system's travel module, incorporating their common travel rules, entitlements and negotiated airline discounted fares. Transactions and itineraries handled by the travel management company at headquarters are captured in the enterprise resource planning system, regardless of whether the trip is booked via the online booking tool or via an agent.
- In 2016, WHO made the use of its online booking tool mandatory for travel from Switzerland to other European locations, and it anticipates that this will partially contribute to generating savings of \$160,000 per year, as use of the online booking tool incurs a transaction fee of CHF 18 as opposed to a fee of CHF 135 with the travel agent.
- At UNHCR headquarters, there is a 65 per cent adoption rate of the online booking tool introduced in 2012, which achieved savings of CHF 200,000 in 2015 as a result of 1,892 tickets being issued through the tool, with a transaction fee of CHF 18 instead of CHF 135 through the travel agent.
- At UNICEF headquarters, there is a 60 per cent adoption of the online booking tool.
- UNIDO implemented its online booking tool in 2013, which led to a reduction in transaction costs of 50 to 65 per cent, with estimated cost savings of €120,000 in 2013, €140,000 in 2014 and €150,000 in 2015. The officials interviewed indicated that the enterprise resource planning system was first implemented in 2011 and was not operational for the first two years. It has since improved travel management by increasing transparency and information availability and by saving time.
- 192. The benefits of online booking tools have been highlighted by some organizations participating in the annual meetings of IATN. Organizations must continuously enhance their enterprise resource planning systems and fully integrate online booking tools to simplify the work of users and streamline processes.
- 193. The implementation of the following recommendation is expected to lead to enhanced efficiency in air travel management and result in significant financial savings.

## Recommendation 6

The executive heads of the United Nations system organizations, if they have not already done so, should encourage the use of online booking tools for air travel, update their travel policies with guidelines for optimal use of such modalities and consider integrating them with their existing systems by 2020.

# D. Extending the use of the lump-sum option to other categories of statutory travel

194. The lump-sum option<sup>166</sup> was initially piloted at the United Nations Secretariat in 1990<sup>167</sup> for some categories of entitlement travel and was subsequently adopted and extended throughout the United Nations system entities.<sup>168</sup> However, some organizations do not use this option for all categories of statutory travel, even though its feasibility has been confirmed by a study undertaken by OIOS in 2013.<sup>169</sup> In interviews with officials of United Nations system organizations, it was pointed out that the lump-sum option should be a win-win situation and should, in principle, serve as an incentive for staff members, reduce the administrative workload and result in major savings for organizations. Annex X shows the categories of travel for which the lump sum applies at each organization as well as the percentage use of the lump-sum option.

195. The Secretary-General reported in January 2017 that an assessment by the United Nations Secretariat on the costs of lump-sum payments, utilizing data from nearly 1,300 staff from July 2014 to June 2015, showed that the average lump-sum amount paid per traveller was 21 per cent cheaper than the alternative option of paying for a combination of tickets, terminal expenses and shipment.<sup>170</sup>

196. In order to achieve more efficiency gains and cost savings, the Inspector concurs with the recommendation made by the Advisory Committee on Administrative and Budgetary Questions in its report of 2017 that the General Assembly should request the Secretary-General to implement a pilot scheme under which all staff would be required to use the lump-sum option for home leave, family visit or education grant travel.<sup>171</sup>

197. In this context, expanding the lump-sum scheme to other categories of statutory travel will benefit both the staff and the organization. In this regard, the governing bodies of the United Nation system organizations may wish to review and revise, as needed, the policies applicable to lump-sum payments to ensure that they appropriately incentivize staff to take this option. **The Inspector is of the view that the executive heads of United Nations system organizations should consider extending the use of the lump-sum scheme to all the categories of entitlement travel, and should encourage their staff to use it, where applicable.** 

#### E. Use of offshore or off-site travel agents

198. Even though off-site travel management companies can potentially reduce an organization's travel-related expenses by reducing or eliminating the need for travel management companies to provide dedicated on-site travel agents, as well as by reducing labour charges in lower-cost locations, only three United Nations system entities have reported utilizing such modalities, and no data has been provided to JIU on the overall cost savings realized.

199. It was reported to JIU that WFP has established a travel unit in New Delhi — supervised by the travel unit in Rome — to process all entitlement travel for the organization's 1,400 international

<sup>&</sup>lt;sup>166</sup> The lump-sum option is a payment that is accepted by the staff member in lieu of receiving all aspects of the specific (travel) entitlement.

<sup>&</sup>lt;sup>167</sup> ST/IC/1990/13.

<sup>&</sup>lt;sup>168</sup> JIU/REP/2012/9, para. 22.

 $<sup>^{169}</sup>$  A/67/695.

<sup>&</sup>lt;sup>170</sup> A/71/741, para. 43.

<sup>&</sup>lt;sup>171</sup> A/71/822, para. 21.

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professional staff globally. In interviews, WFP commended the unit's low error rate as an example of efficiencies that can be attained by centralizing functions.

200. UNAIDS has outsourced travel to Carlson Wagonlit Travel in Poland and no longer has an on-site travel management company, which saves the organization CHF 51 to CHF 67 per transaction. UNOG has a hybrid service configuration model with its travel agent (Carlson Wagonlit Travel), whose off-site Poland office charges CHF 64 per transaction while its on-site Geneva office charges CHF 135 per transaction. Among other international organizations, IADB uses a travel management company that provides regional call centers to process travel for country offices, while IOM utilizes an off-site travel management company in Manila to process and settle all travel invoices. GAVI Alliance plans to reduce on-site travel staff by processing 60 per cent of travel online via an offshore travel management company.

201. While substantial cost savings can be achieved through this model, the Inspector would like to emphasize the importance of establishing good communication channels with off-site agencies to ensure that the accessibility and efficiency of travel services is not compromised. The Inspector is of the view that the executive heads of the United Nations system organizations should, where possible, consider offshoring travel agents to a lower-cost location, with a view to realizing cost savings and efficiency gains.

## F. Frequent flyer miles programme

202. The General Assembly has regularly requested the Secretary-General to explore all options for using frequent flyer miles accumulated through official travel to reduce travel costs and to improve the administration of travel. <sup>172</sup> In response, the United Nations Secretariat used the services of a consultant to examine the issue and, after considering the practices of select international financial institutions, one Member State and private sector companies as well as the perspectives of air carriers, it was concluded that managing such a programme would not be cost-effective. <sup>173</sup>

203. Most United Nations system entities interviewed by JIU shared the common view that collecting and managing frequent flyer miles would be too cumbersome and complicated and would result in greater administrative costs. This view has also been confirmed by IATN in its annual reports. The UNESCO legal department has also ruled that frequent flyer miles are personal to the staff and that therefore the employer cannot govern their use. This hands-off practice is also followed by FAO, ILO, UNEP and UNFPA. Consequently, most organizations have no formal policy with regard to frequent flyer miles. However, UNIDO has an organizational agreement with Star Alliance, whereby points received for official tickets issued by the organization can be utilized for purchasing portable communication devices for use by staff at large without prejudice. The agreement also provides for possibilities of cash back and business class upgrades.

<sup>&</sup>lt;sup>172</sup> See General Assembly resolutions 63/268, 65/268, 67/254 and 69/274.

<sup>&</sup>lt;sup>173</sup> A/66/676, paras. 41-64. See also ST/IC/88/6.

<sup>&</sup>lt;sup>174</sup> IATN, XIII Annual Meeting Report, October 2016.

# X. HARMONIZATION AMONG THE UNITED NATIONS SYSTEM ORGANIZATIONS

#### A. Overview

204. The General Assembly has stressed the importance of effective coordination among United Nations entities in harmonizing the standards and practices of acquiring air travel services and has encouraged the Secretary-General, in his capacity as the Chair of CEB, to promote the sharing of best practices with respect to air travel across the United Nations system. <sup>175</sup> With regard to data transparency, it has expressed concern on various occasions about the lack of accurate, complete and comprehensive system-wide data on all air-travel-related costs <sup>176</sup> and has requested the Secretary-General to urgently improve air travel management, pursue more effective and efficient utilization of travel resources, <sup>177</sup> and hold managers accountable for their judicious use. <sup>178</sup>

205. This concluding chapter outlines some steps and measures that can be taken through formal and informal channels and mechanisms, including CEB, the International Civil Service Commission (ICSC) and IATN, to promote the harmonization of air travel management, particularly in regard to standards of accommodation, lump-sum and DSA payments and other entitlements, where possible.

#### B. Need to enhance harmonization of air travel practices

206. While diverse mandates necessitate that travel policies be determined by the legislative bodies of each organization, as early as 1995 JIU drew attention to the differences in conditions of travel among United Nations system organizations and cautioned against further increasing such disparities, noting that, while travel entitlements were not part of the common system of salaries and allowances, they were part of the conditions of service, and as such, "further widening disparities in treatment of staff travelers would certainly further weaken the common system coherence which should definitely be avoided."<sup>179</sup>

207. In its 2004 report on the harmonization of conditions of travel in the United Nations system, JIU found that, while United Nations system organizations shared travel policies through interagency consultations and coordination mechanisms, significant disparities persisted in organizational rules and practices in: (a) the determination of business class travel entitlements; (b) use of the lump-sum options for various categories of travel; (c) stopovers for travel of a certain duration; (d) use of payment of DSA; and (e) the verification procedures for actual travel undertaken for accounting and insurance purposes under the lump-sum option. <sup>180</sup>

208. Taking into account the issue of disparities in the standards of accommodation and entitlements for staff members, organs and subsidiary organs across the United Nations system (see

<sup>&</sup>lt;sup>175</sup> General Assembly resolution 65/268, sect. IV, para. 7.

 $<sup>^{176}</sup>$  General Assembly resolutions 69/274, sect. IV, paras. 5-6; 67/254, sect. VI, para. 5; and 65/268, sect. IV, para. 11.

<sup>&</sup>lt;sup>177</sup> General Assembly resolution 65/268, sect. IV, para. 5.

<sup>&</sup>lt;sup>178</sup> General Assembly resolution 69/274, sect. IV, para. 8.

<sup>&</sup>lt;sup>179</sup> JIU/REP/1995/10, paras. 135 and 175.

<sup>&</sup>lt;sup>180</sup> JIU/REP/2004/10.

chap. III above), at the request of the General Assembly<sup>181</sup> CEB issued a report on the topic in 2007, concluding that travel policies continued to differ across the system, sometimes substantially, but mostly in the area of mission travel.<sup>182</sup> In a subsequent 2010 report, prepared at the request of the General Assembly,<sup>183</sup> on the feasibility of harmonizing standards of air travel for staff members system-wide, CEB excluded from its scope the United Nations specialized agencies and IAEA.<sup>184</sup> The report found that the entities reviewed (the United Nations Secretariat and affiliated entities) had largely harmonized their travel policies, while variations remained regarding lump-sum payments for certain categories.<sup>185</sup>

209. On the basis of the limited 2010 review by CEB and the JIU report entitled "Review of travel arrangements within the United Nations system", <sup>186</sup> the General Assembly in 2011 reiterated its request to the Secretary-General as the CEB Chair to submit a comprehensive report, with a view to harmonizing standards of travel for staff of the United Nations common system, indicating measures that could be implemented under the authority of the Secretary-General and those that would require the approval of the General Assembly. <sup>187</sup> While in his 2012 report the Secretary-General proposed several changes to the existing policy for the United Nations Secretariat, he did not assess the issue of system-wide harmonization. <sup>188</sup>

210. The present JIU report and recommendations contained therein are intended to highlight the areas for possible harmonization and concrete steps that can be taken in this regard and tries to respond more comprehensively to the General Assembly's requests as contained in its resolutions.<sup>189</sup>

### Initiatives and opportunities for enhancing the harmonization of air travel

211. The present JIU review found a significant level of harmonization between the travel policies of the United Nations and those of its affiliated entities, such as funds and programmes. As a best practice, four organizations (the United Nations Conference on Trade and Development (UNCTAD), UNEP, the United Nations Human Settlements Programme (UN-Habitat) and UNODC) have adopted the United Nations travel policy, while the travel policies of six others (ITC, UNDP, UNHCR, UNOPS, UNRWA and UN-Women) are either adapted to or in conformity with the travel policies and staff rules of the United Nations. In 2014, UNFPA adopted the UNDP travel policy, and both organizations share the same enterprise resource planning system travel module (Atlas). They also share long-term agreements with their travel management companies at headquarters and in country offices. At the field level, WFP has noted that it benchmarks all policy changes to air travel standards against general United Nations standards.

212. Specialized agencies have noted that harmonization necessitates adequate political will and support from Member States and have pointed to the diversity and variation in mandates, rules, policies, practices, operating procedures, business models, funding structures and the over-

<sup>183</sup> General Assembly resolution 62/238, sect. XV, para. 5; reiterated in Assembly resolution 63/268, sect. II, para. 3; recalled by the Advisory Committee on Administrative and Budgetary Questions in A/63/715, para. 7.

<sup>&</sup>lt;sup>181</sup> General Assembly resolution 60/255, sect. IV, para. 2.

<sup>&</sup>lt;sup>182</sup> A/61/801.

<sup>&</sup>lt;sup>184</sup> A/65/386, para. 6.

<sup>&</sup>lt;sup>185</sup> A/65/386, paras. 6-10.

 $<sup>^{186}</sup>$  JIU/REP/2010/2.

<sup>&</sup>lt;sup>187</sup> General Assembly resolution 65/268, sect. IV, para. 3.

<sup>&</sup>lt;sup>188</sup> A/66/676

<sup>&</sup>lt;sup>189</sup> General Assembly resolutions 60/255, 62/238 and 63/268.

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customization of enterprise resource planning systems as constraints to system-wide harmonization in air travel management. Consequently, harmonization efforts tend to be more piecemeal, with ILO and UNAIDS noting that their revised travel policies take into account best practices and existing travel policies in other United Nations system organizations. Instances of specific harmonization measures include: adoption of the principle of the most economical itinerary as a guiding principle for flight selection (UNESCO); payment of DSA and terminal expenses as per United Nations rules (UPU); change of business class threshold from six to nine hours (WHO and WIPO); reduction of on-board DSA from 100 per cent to 50 per cent (WIPO); and discontinuation of additional DSA for high-level officials (UNIDO).

213. Looking forward, the United Nations system organizations have called for greater coordination through the CEB High-Level Committee on Management to promote the harmonization of air travel management with regard to: (a) an applicable policy on the standard of accommodation for air travel; (b) the pooling of travel volumes to take advantage of purchasing power leverage with air carriers; (c) use of corporate credit card programmes; (d) selection of airlines for air travel based on safety ratings; and (e) the sharing of travel management companies.

214. Emphasis must also be placed on organizations with a field presence, whose travel policies, rules and procedures should be coordinated worldwide so that they are complied with and applied consistently. In this respect, the utilization of the enterprise resource planning system travel modules at both headquarters and field duty stations will facilitate travel practices and provide a global picture of what organizations spend on travel, allowing headquarters travel units to clarify issues emanating from the field.

#### C. Need to promote the harmonization of standards of accommodation

215. Given that air travel and related expenditures have cost the United Nations system organizations over \$4.01 billion since 2012, significant savings can potentially be realized by reviewing and assessing the variances in the existing standards of accommodation, both within organizations and among different levels and categories of staff, as well as across the United Nations system organizations, to identify lessons learned, good practices and opportunities for harmonization of policies, where possible, to increase efficiencies and reduce costs in air travel management. To this end, coordination and cooperation among the United Nations system entities should be ensured by CEB not only at headquarters but also at duty stations, with a view to reducing existing disparities and achieving greater competition among vendors and a better commercial negotiating position given the greater volume of travel activities.

216. The disparities in the standards of accommodation for air travel among some United Nations system organizations are illustrated in table 7, which shows the prevailing standards of accommodation for 22 organizations in the example of the most direct flight between New York and Rome. <sup>190</sup> For an eastbound flight of 8 hours and 35 minutes, some senior officials would be entitled to either first class or business class, while some staff at the level of D-2 and below would be entitled to economy class. Conversely, for a westbound flight of 9 hours and 35 minutes, the entitlement changes considerably to either first or business class for senior officials and other staff in all but three organizations (FAO, UNAIDS and UNESCO).

<sup>&</sup>lt;sup>190</sup> Flights accessed on www.skyscanner.net on 29 March 2017 for departure on 24 April 2017 and return on 28 April 2017.

Table 7. Variances in standards of accommodation for a round-trip flight from New York to Rome (most direct and most economic route)

	First class	Business class	Economy class
<b>Direct:</b> New York- Rome 8h25	IAEA (DG, 6 DDGs), IMO (SG), ITU (SG, DSG, 3 Bureau Directors), United Nations (SG, DSG, PGA), UNWTO (SG), WIPO (DG), WMO (SG).	Senior officials of: ICAO, ILO (DG), ITC, United Nations (USG and ASG), UNAIDS, UNDP (USG and ASG), UNESCO, UNFPA, UNHCR, UNICEF, UNIDO (D-2 and above), UNODC, UNOPS (D-1 and above), UNRWA, UN-Women (ED and 2 DEDs) and WHO (DG, DDG, ED and 6 RDs). All staff of IMO (below SG) and IAEA (below DDGs).	Staff (D-2 and below with some exceptions as noted) of: ICAO, ILO (DDG and below), ITC, ITU, United Nations, UNAIDS, UNDP, UNESCO, UNWTO, UNFPA, UNHCR, UNICEF, UNIDO (below D-2), UNODC, UNOPS (below D-1), UNRWA, UNWomen, WFP, WHO, WIPO, WMO (below SG). All senior officials and staff of FAO.
Direct: Rome- New York 9h35 and Economic: Rome- New York 10h55	Same as direct NY-Rome entitlement listed above.	All senior officials (except those listed in the left column) as well as staff D-2 and below of: IAEA, ICAO, ILO, IMO, ITC, ITU, United Nations, UNDP, UNFPA, UNHCR, UNICEF, UNIDO, UNODC, UNOPS, UNRWA, UNWomen, UNWTO, WFP, WHO, WIPO, WMO. Senior officials of UNAIDS and UNESCO only.	Staff (D-2 and below) of UNAIDS and UNESCO. All senior officials and staff of FAO.
Economic: New York- Rome 12h25	Same as above.	Same as above. Also includes all senior officials and staff at FAO.	Staff D-2 and below of UNESCO (Staff D-2 and below at UNAIDS are entitled to premium economy).

Source: Organizations' policies and responses to questionnaire.

Abbreviations: ASG, Assistant Secretary-General; DG, Director-General; DDG, Deputy Director-General; DED, Deputy Executive Director; DSG, Deputy Secretary-General; ED, Executive Director; PGA, President of the General Assembly; SG, Secretary-General; and USG, Under-Secretary-General.

- 217. For the most economic route, i.e. a flight not exceeding the most direct route by more than 4 hours, the eastbound flight of 10 hours and 55 minutes duration entitles senior officials and other staff to either first or business class in 19 organizations, rising to 20 organizations for the westbound flight of 12 hours and 25 minutes duration, while UNESCO staff are entitled to economy class and UNAIDS staff to premium economy class.
- 218. The application of four class categories for the same round-trip flight and the significant increase in entitlement for a flight in one direction (westbound) compared with another (eastbound) with corresponding cost implications clearly point to the need for further reconciliation of entitlements by grade level and the reconsideration of time thresholds for business class entitlements.
- 219. With a view to addressing these disparities, CEB, given its formal inter-agency structure and its requisite level of delegated authority and access to necessary information, should undertake a system-wide review of standards of accommodation and the associated costs of air travel, while taking into consideration specificities of mandates and missions and organizational structure (e.g. headquarters or field-based). The findings and recommendations of such a review could help to realize considerable cost savings in a period of increasing financial uncertainty for the United Nations system organizations.

220. Consequently, the implementation of the following recommendation is expected to strengthen coherence and enhance harmonization in air travel management within the United Nations system.

#### **Recommendation 7**

The General Assembly should request the Secretary-General, in his capacity as the Chair of the United Nations System Chief Executives Board for Coordination, to review measures to promote the harmonization of standards of accommodation for air travel applied across the United Nations system organizations, as well as expenses related to air travel for both mission and statutory travel, and to report on the results to the General Assembly during the first part of its seventy-third resumed session.

#### D. Areas for harmonization of policies and entitlements

#### Harmonization of the lump-sum calculation rates and methodology

- 221. The lump-sum option is currently utilized by 23 United Nations system organizations<sup>191</sup> for a differing range of statutory travel categories (see chap. VIII and annex X), and it has been confirmed by the OIOS feasibility study<sup>192</sup> as constituting a useful option in terms of reducing administrative burden and costs. However, significant differences exist system-wide with regard to how the lump sum is calculated, due to the utilization of different percentages for calculation as well as different fare categories as a base for calculation.
- 222. Currently, 20 organizations<sup>193</sup> use variations of the concept of "least restrictive economy class base fare", while five organizations<sup>194</sup> utilize the unrestricted IATA economy class fare (flex fare) as the basis for calculating the lump-sum amount, <sup>195</sup> resulting in the determination of different lump-sum amounts even if the same percentage is used. <sup>196</sup> Even when the least restrictive economy class base fare for the same lump-sum percentage is used, discrepancies are still possible, given that hundreds of airfares can exist for the same route or destination for specified dates, necessitating close scrutiny, skills and due diligence by the travel team to determine the correct entitlement.
- 223. For instance, when JIU asked the Geneva-based organizations in 2012 to provide the cost for a home leave lump-sum entitlement for a staff member and family (two adults and two children) from Geneva to Beijing for specified travel dates, the lump-sum calculation for the Geneva to Beijing route was 52 per cent higher in WMO (\$23,866) compared with WHO (\$15,662), despite both organizations using the same methodology (least restrictive economy class base fare) and the same percentage (75 per cent).<sup>197</sup> As a positive step to address such distortion, the Inspector welcomes the proposed global service delivery model of the United Nations, which proposes to establish a global lump-sum team to ensure the correct and consistent application of lump-sum calculations across the United Nations Secretariat and believes that an in-depth review should be

<sup>&</sup>lt;sup>191</sup> FAO, IAEA, ICAO, ILO, IMO, ITC, ITU, UNAIDS, UNCTAD, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNODC, UNOPS, UNRWA, UN-Women, UPU, WFP, WHO and WIPO.
<sup>192</sup> A/67/695.

<sup>&</sup>lt;sup>193</sup> IAEA, ICAO, ITC, ITU, United Nations, UNAIDS, UNCTAD, UNDP, UNEP, UNFPA, UNHCR, UNICEF, UNIDO, UNODC, UNOPS, UNRWA, UPU, WHO, WIPO and WMO.

<sup>&</sup>lt;sup>194</sup> FAO, ILO, IMO, UNESCO and WFP.

<sup>&</sup>lt;sup>195</sup> See JIU/REP/2012/9, paras. 30-37 for an in-depth elaboration of airfare classification.

<sup>&</sup>lt;sup>196</sup> See JIU/REP/2012/9, table 2.

<sup>&</sup>lt;sup>197</sup> See JIU/REP/2012/9, table 2.

initiated across the United Nations system by ICSC in order to harmonize the use of these entitlements.  $^{198}$ 

224. The review found that, while some organizations have lowered the lump-sum percentage in recent years to reduce costs, <sup>199</sup> considerable variations persist system-wide. For the 20 organizations that use the least restrictive economy class base fare, the percentage varies considerably: 55 per cent in ICAO, 65 per cent in IAEA and UPU, 70 per cent in eight organizations, <sup>200</sup> 75 per cent in seven organizations <sup>201</sup> and 80 per cent in ITU and WIPO. For the five organizations utilizing the unrestricted IATA economy fare, the percentage also varies significantly: 50 per cent in UNESCO, 70 per cent in WFP, 75 per cent in FAO and IMO and 80 per cent in ILO.

225. The use of different percentages and methodologies for calculating the lump sum, as well as distortions in the application of the same methodology, have resulted in staff stationed in the same city receiving different home leave entitlement amounts for travel to the same destination on the same dates. United Nations system organizations officials interviewed indicated that such practices contribute to frustration, disappointment and confusion among staff members and eventually weaken harmonization in the United Nations common system by creating disparities in actual entitlements for staff at the same grade level across organizations.

226. Given the role of ICSC in determining DSA and other entitlements for all duty stations system-wide, the Inspector considers the Commission to be best placed to undertake a review of lump-sum schemes. ICSC itself acknowledged its own pertinent role in furthering harmonization in leave entitlements system-wide when it decided in 2007 that "its coordinating and regulating role in the area of leave entitlements should be concentrated on ensuring a consistent common system policy with respect to those elements of leave which were essential to maintaining harmonized recruitment incentives, facilitating mobility of staff and ensuring coherent conditions of employment among organizations with similarly situated staff."<sup>202</sup>

227. The implementation of the following recommendation is expected to enhance coherence and harmonization in the application of lump-sum entitlements for statutory travel.

#### **Recommendation 8**

The General Assembly should request the International Civil Service Commission to undertake a system-wide review of lump-sum entitlements for statutory travel focused on determining by 2019 a common methodology and percentage for its calculation that furthers harmonization, minimizes the risk of distortion and ensures equity and fairness among common system staff.

<sup>&</sup>lt;sup>198</sup> A/71/417, para. 50.

<sup>&</sup>lt;sup>199</sup> FAO: from 80 per cent to 75 per cent; IAEA: from 75 per cent to 65 per cent (2016); ICAO from 75 per cent to 65 per cent (2011); United Nations: from 75 per cent to 70 per cent (2013); and UNESCO: from 60 per cent to 50 per cent (2012).

<sup>&</sup>lt;sup>200</sup> 70 per cent lump sum: ITC, United Nations, UNCTAD, UNDP, UNEP, UNFPA, UNHCR and UNODC.

<sup>&</sup>lt;sup>201</sup> 75 per cent lump sum: UNAIDS, UNICEF, UNIDO, UNOPS, UNRWA, WHO and WMO.

<sup>&</sup>lt;sup>202</sup> A/62/30, para. 57.

#### Harmonization of the daily subsistence allowance payment processes

228. While DSA rates are calculated and promulgated for all locations globally by ICSC and are applied by all common system organizations, both the JIU review and the Advisory Committee on Administrative and Budgetary Questions inquiry found that individual organizations have different implementation arrangements for specific scenarios (see annex XI).<sup>203</sup> For instance, while most organizations do not provide DSA for overnight duty travel on the basis that travellers do not incur any expenses while in flight, such a policy does not address the situation of those arriving in the middle of the night needing accommodation, or those in between mission locations.

229. To ensure the safety and security of travellers, the Inspector encourages all United Nations system organizations to implement the practice utilized by UNHCR whereby if a traveller is arriving before 6 a.m., 50 per cent of DSA should be granted upon submission of hotel payment receipt. In WHO, for economy class flights departing before midnight and arriving after midnight, 50 per cent of DSA is granted, while for business class flights arriving before 6 a.m. the actual cost of the hotel is reimbursed.

230. The JIU review also found instances of organizations that do not pay 100 per cent of DSA and terminal expenses in advance of duty travel to staff and/or non-staff. For instance, ITC only pays 75 per cent of DSA in advance to non-staff, while IMO pays 90 per cent of DSA in advance to staff and non-staff. It was reported to JIU that such a practice increases the workload for the processing of travel claims, increases the cost to organizations in the form of bank transaction fees — which are often disproportionately high — on two payments instead of one, and places an unfair burden upon the traveller, who may be forced to pay out of pocket for costs related to work undertaken on behalf of the organization and who may also have to pay the bank transaction fees.

231. In this context, the Inspector recalls recommendation 9 contained in JIU/REP/2004/10, in which JIU recommended that the executive heads of organizations which do not pay full advance of DSA and/or terminal expenses should introduce this practice in order to reduce administrative workload.

#### Elimination of stopovers and harmonization of rest periods

232. More than two decades ago, JIU called for abolishing stopovers and replacing them with more rest time at the final destination, given that the rationale for stopovers had disappeared over time and constituted "an obsolete and costly way of travel".<sup>204</sup> With major improvements in business class travel over the past decades, travellers are more likely to arrive better rested through business class accommodation for long-haul flights rather than stopovers en route, which expose the traveller to increased security risks as well as cumbersome and time-consuming immigration and customs checks, which have become the norm in airports worldwide due to heightened security concerns.

233. The Inspector finds it regrettable that, 22 years after the recommendation was issued, 12 United Nations system organizations continue to allow provisions for either one or two stopovers (see annex XII).<sup>205</sup> The Inspector is of the view that the stopovers should be abolished as a standard entitlement by all United Nations system organizations and should only be granted

<sup>&</sup>lt;sup>203</sup> A/66/739, para. 6.

<sup>&</sup>lt;sup>204</sup> JIU/REP/1995/10, paras. 140-145.

<sup>&</sup>lt;sup>205</sup> One stopover: UNDP, UNFPA, UN-Women and WIPO. Up to two stopovers: FAO, IMO, ITU, UNAIDS, UNESCO, UNIDO, UPU and WFP.

on an exceptional basis on medical grounds, subject to the approval of the organization's medical adviser. Organizations that continue to maintain the practice of stopovers should report annually on the additional cost associated with stopovers for the consideration of their legislative bodies.

234. In regard to the rest period (see annex XII), the JIU review found that seven organizations<sup>206</sup> grant 12 hours of rest upon arrival for travel time above 6 hours, irrespective of the total excess duration. In addition, 24 hours of rest is granted when travel time exceeds either 10 hours for 13 organizations<sup>207</sup> or 12 hours for 5 organizations.<sup>208</sup> Only UNESCO grants a maximum of 48 hours rest when total travel time exceeds 16 hours.

235. Since each organization is responsible for ensuring the health and well-being of its staff members undertaking duty travel, it is in the organization's best interest to guarantee that a staff member is fully rested in order to maximize productivity during his or her mission. In this regard, the executive heads of United Nations system organizations should review their organization's travel policy to ensure that staff members undertaking mission travel in excess of 10 hours duration in economy class are guaranteed an appropriate rest period.

#### E. Strengthening knowledge-sharing within and among organizations

236. Established in 2004, IATN brings together more than 70 international organizations with the goal of enhancing global inter-agency coordination and networking on policies and procedures pertaining to travel-related matters as well as providing a forum to share ideas, resources and best practices in travel management once a year.<sup>209</sup> Its role has been validated by CEB, which in 2010 called upon the executive heads to harmonize travel policies and practices through IATN,<sup>210</sup> and the Fifth Committee, which in 2011 called for promoting greater coordination across the United Nations system on air travel matters, including by leveraging the experiences of IATN.<sup>211</sup>

237. In reviewing the IATN annual reports from 2013 to 2016, the Inspector concurs with the view expressed by the JIU participating organizations attending the informal forum that IATN performs a most useful role in allowing for the sharing of trends and developments in air travel practices across international organizations, and she encourages all travel managers to participate actively in this forum. The Inspector also welcomes the agreements by agencies to establish and maintain a database as a repository of travel entitlements that would facilitate the sharing of travel policies and practices and further the retention and transfer of knowledge on air travel management. <sup>212</sup>

238. The Inspector believes that the remaining gap in the United Nations system with regard to formal practice-sharing and coordination on air travel management could be addressed through the establishment of a formal inter-agency advisory body on travel with representation at the level of senior managers who are substantively knowledgeable on air travel policies and who have the delegated authority from their executive heads to take decisions on air travel policies on behalf of

<sup>&</sup>lt;sup>206</sup> ITC, United Nations, UNCTAD, UNEP, UNHCR, UNODC and WMO.

<sup>&</sup>lt;sup>207</sup> FAO, ICAO, ILO, IMO, ITU, UNAIDS, UNDP, UNESCO, UNFPA, UNIDO, UN-Women, WFP and WIPO.

<sup>&</sup>lt;sup>208</sup> IAEA, UNICEF, UNWTO, UPU and WHO.

<sup>&</sup>lt;sup>209</sup> JIU/REP/2010/2, table 2. See also General Assembly resolution 65/268, sect. IV, para. 7 and annex, para. 2 (b).

<sup>&</sup>lt;sup>210</sup> A/65/386, para. 10.

<sup>&</sup>lt;sup>211</sup> A/65/646/Add.2, sect. IV, annex, para. 2 (b).

<sup>&</sup>lt;sup>212</sup> JIU/REP/2016/10, recommendation 4.

their organizations. Such a body, once established, may choose to invite relevant stakeholders from the air travel industry for consultation purposes.

239. Such an action would also be in line with the spirit of an earlier JIU recommendation, in which JIU called for the establishment of an advisory committee on travel, with the participation of all offices directly concerned, to deal with the implementation of United Nations travel policy and to advise and support the travel units.<sup>213</sup>

240. The implementation of the following recommendation is expected to enhance coordination and cooperation and the sharing of best practices in air travel management across the United Nations system.

#### **Recommendation 9**

The General Assembly should request the Secretary-General, in his capacity as the Chair of the United Nations System Chief Executives Board for Coordination, to submit a proposal on the feasibility of establishing a formal advisory committee on travel matters, for the consideration of the General Assembly during the first part of its seventy-third resumed session.

241. The Inspector commends the United Nations Secretariat's initiative to establish a travel forum through the Unite Connections network that allows the process owner on travel policy to communicate to all travel managers practices in the implementation of the travel policy, to discuss issues arising from it and to provide and receive guidance thereon. <sup>214</sup> It is recommended that a similar platform should be established by all organizations having a field presence.

242. Looking forward, the system-wide harmonization of air travel management necessitates not only actions at the individual level by each organization, but also action taken collectively and collaboratively by all organizations, including through existing platforms and mechanisms for inter-agency coordination.

243. Through the implementation of the recommendations and measures outlined in the present report, the Inspector is of the view that air travel matters could be harmonized across the United Nations system, leading to major efficiency gains and considerable savings in the short and medium term. In addition, the Inspector encourages all United Nations system organizations to continue to share experiences, knowledge, best practices and lessons learned in order to strengthen coordination and to achieve further synergy, cooperation, effectiveness and efficiency without prejudice to their respective mandates.

<sup>&</sup>lt;sup>213</sup> JIU/REP/1995/10, recommendation 1.4.

<sup>&</sup>lt;sup>214</sup> This also responds to an OIOS recommendation to improve coordination among travel managers within the Secretariat, A/67/695.

Annex I: Air travel and related expenditure and total expenses by organization 2012-2015 (regular budget and extrabudgetary)

Organization	Year	Total air travel and related expenditure — staff and non-staff (United States dollars) <sup>a</sup>	Total air travel and related expenditure — staff (United States dollars)	Total air travel and related expenditure — non-staff (United States dollars)	Total expenses by organization (United States dollars) <sup>b</sup>	Total air travel and related expenditure as a percentage of total expenses by organization
	2012	115 950 000	40 430 000	75 520 000	1 343 398 000	8.63
	2013	115 630 000	37 470 000	78 160 000	1 379 994 000	8.38
FAO	2014	115 370 000	33 500 000	81 870 000	1 245 513 000	9.26
	2015	113 200 000	31 120 000	82 080 000	1 219 235 000	9.28
	Total	460 150 000	142 520 000	317 630 000	5 188 140 000	8.87
	2012	13 200 000	No split	No split	220 499 000	5.99
	2013	12 500 000	No split	No split	248 662 000	5.03
ICAO	2014	13 300 000	No split	No split	222 195 000	5.99
	2015	13 000 000	No split	No split	194 804 000	6.67
	Total	52 000 000			886 160 000	5.87
	2012	68 186 740	27 825 735	40 361 005	591 756 000	11.52
	2013	73 225 977	28 651 305	44 574 672	606 003 000	12.08
IAEAc,d	2014	71 899 375	27 443 707	44 455 669	578 573 000	12.43
	2015	69 268 778	24 696 327	44 572 451	570 544 000	12.14
	Total	282 580 870	108 617 075	173 963 796	2 346 876 000	12.04
	2012	28 347 000	23 292 000	5 055 000	629 255 000	4.50
	2013	32 768 000	25 893 000	6 875 000	723 820 000	4.53
ILO	2014	27 308 000	22 889 000	4 419 000	611 326 000	4.47
	2015	29 751 000	24 372 000	5 379 000	659 747 000	4.51
	Total	118 174 000	96 446 000	21 728 000	2 624 148 000	4.50
	2012	3 392 057	1 945 160	1 446 898	80 009 000	4.24
	2013	3 346 711	1 877 731	1 468 980	76 909 000	4.35
IMO <sup>e</sup>	2014	3 179 504	1 944 470	1 235 034	69 896 000	4.55
	2015	2 722 354	1 627 424	1 094 930	68 055 000	4.00
	Total	12 640 626	7 394 785	5 245 841	294 869 000	4.29
	2012	4 032 562	2 116 064	1 916 498	76 227 000	5.29
	2013	3 967 366	2 238 975	1 728 391	79 353 000	5.00
ITCf,g	2014	4 506 480	2 541 388	1 965 093	101 872 000	4.42
	2015	4 537 770	2 595 670	1 942 101	102 654 000	4.42
	Total	17 044 178	9 492 097	7 552 082	360 106 000	4.73
	2012	9 882 729	4 931 770	4 950 959	215 244 000	4.59
$\mathbf{ITU^f}$	2013	8 661 273	12 492 709	3 858 684	213 125 000	4.06
	2014	7 148 472	3 550 218	3 598 253	188 091 000	3.80

Organization	Year	Total air travel and related expenditure — staff and non-staff (United States dollars) <sup>a</sup>	Total air travel and related expenditure — staff (United States dollars)	Total air travel and related expenditure — non-staff (United States dollars)	Total expenses by organization (United States dollars) <sup>b</sup>	Total air travel and related expenditure as a percentage of total expenses by organization
	2015	7 151 767	3 972 973	3 178 794	191 833 000	3.73
	Total	32 844 241	24 947 670	15 586 691	808 293 000	4.06
United	2012	83 611 687	No split	No split	4 204 721 000	1.99
Nations	2013	77 541 132	No split	No split	4 310 390 000	1.80
Headquarters	2014	76 014 388	No split	No split	5 144 651 000	1.48
and offices	2015	73 774 730	No split	No split	5 613 140 000	1.31
away from Headquarters	Total	310 941 937			19 272 902 000	1.61
	2013	6 583 370	3 180 928	3 402 443	264 105 000	2.49
	2014	7 475 098	4 107 546	3 367 553	270 538 000	2.76
UN-Women <sup>h</sup>	2015	9 100 324	4 452 660	4 647 663	314 974 000	2.89
	Total	23 158 792	11 741 134	11 417 659	849 617 000	2.73
	2012	9 025 044	6 441 883	2 583 161	279 913 000	3.22
	2013	11 414 633	7 094 762	4 319 871	295 195 000	3.87
UNAIDS	2014	10 555 486	7 106 043	3 449 443	295 725 000	3.57
	2015	9 845 649	6 333 988	3 511 661	293 937 000	3.35
	Total	40 840 812	26 976 676	13 864 136	1 164 770 000	3.51
	2012	25 843 247	No split	No split	5 244 435 000	0.49
	2013	23 484 336	No split	No split	5 244 451 000	0.45
<b>UNDP</b> <sup>i</sup>	2014	24 123 686	No split	No split	5 314 300 000	0.45
	2015	19 817 655	No split	No split	5 057 414 000	0.39
	Total	93 268 924			20 860 600 000	0.45
	2012	16 377 989	11 643 221	4 734 768	806 166 000	2.03
	2013	19 026 673	13 348 884	5 677 789	813 872 000	2.34
UNESCO	2014	17 130 366	12 686 906	4 443 460	802 166 000	2.14
	2015	16 857 165	12 944 965	3 912 200	762 491 000	2.21
	Total	69 392 193	50 623 976	18 768 217	3 184 695 000	2.18
	2012	78 850 000	No split	No split	810 711 000	9.73
	2013	85 256 000	No split	No split	913 340 000	9.33
UNFPAj	2014	83 139 000	No split	No split	1 002 115 000	8.30
	2015	69 251 000	No split	No split	977 376 000	7.09
	Total	316 496 000			3 703 542 000	8.55
	2012	53 171 087	51 608 958	1 562 129	2 305 929 000	2.31
UNHCR	2013	55 691 661	53 792 345	1 899 316	2 704 187 000	2.06
	2014	58 402 289	55 701 318	2 700 971	3 360 494 000	1.74

Organization	Year	Total air travel and related expenditure — staff and non-staff (United States dollars) <sup>a</sup>	Total air travel and related expenditure — staff (United States dollars)	Total air travel and related expenditure — non-staff (United States dollars)	Total expenses by organization (United States dollars) <sup>b</sup>	Total air travel and related expenditure as a percentage of total expenses by organization
	2015	55 996 705	53 163 836	2 838 869	3 278 872 000	1.71
	Total	223 261 742	214 266 457	8 995 285	11 649 482 000	1.92
	2012	126 300 000	99 300 000	27 000 000	3 613 226 000	3.50
	2013	134 700 000	109 400 000	25 300 000	4 082 101 000	3.30
UNICEFk	2014	144 400 000	117 700 000	26 700 000	4 540 398 000	3.18
	2015	150 200 000	126 500 000	23 700 000	5 077 602 000	2.96
	Total	555 600 000	452 900 000	102 700 000	17 313 327 000	3.21
	2012	19 424 605	No split	No split	315 344 000	6.16
	2013	19 735 398	9 933 520	9 801 879	318 053 000	6.21
UNIDOc	2014	18 161 006	6 498 496	9 957 524	232 721 000	7.80
	2015	17 537 537	7 225 410	10 312 171	244 141 000	7.18
	Total	74 858 546	23 657 425	30 071 574	1 110 259 000	6.74
	2012	3 795 882	No split	No split	265 618 000	1.43
	2013	4 065 599	No split	No split	257 638 000	1.58
UNODC	2014	3 803 859	No split	No split	325 421 000	1.17
	2015	4 388 170	No split	No split	278 919 000	1.57
	Total	16 053 510			1 127 596 000	1.42
	2012	19 281 000	No split	No split	979 000 000	1.97
	2013	22 830 000	No split	No split	1 141 800 000	2.00
UNOPS	2014	24 798 000	No split	No split	1 286 300 000	1.93
	2015	35 682 000	No split	No split	1 523 600 000	2.34
	Total	102 591 000			4 930 700 000	2.08
	2012	2 801 785	No split	No split	664 041 000	0.42
	2013	2 530 593	No split	No split	710 501 000	0.36
UNRWA	2014	2 581 243	No split	No split	1 301 085 000	0.20
	2015	3 020 743	No split	No split	1 333 775 000	0.23
	Total	10 934 364			4 009 402 000	0.27
	2012	875 614	746 792	128 822	74 012 000	1.18
	2013	984 610	820 090	164 521	76 015 000	1.30
$\mathbf{UPU^f}$	2014	1 236 479	917 203	319 276	63 246 000	1.96
	2015	1 418 221	1 068 444	349 778	79 266 000	1.79
	Total	4 514 924	3 552 529	962 397	292 539 000	1.54
	2012	1 344 437	No split	No split	23 899 000	5.63
UNWTO1	2013	1 213 254	No split	No split	24 150 000	5.02
	2014	1 836 624	No split	No split	24 765 000	7.42

Organization	Year	Total air travel and related expenditure — staff and non-staff (United States dollars) <sup>a</sup>	Total air travel and related expenditure — staff (United States dollars)	Total air travel and related expenditure — non-staff (United States dollars)	Total expenses by organization (United States dollars) <sup>b</sup>	Total air travel and related expenditure as a percentage of total expenses by organization
	2015	1 489 532	No split	No split	27 014 000	5.51
	Total	5 883 847	-		99 828 000	5.89
	2012	88 690 961	47 005 155	41 685 806	4 450 013 000	1.99
	2013	91 308 224	46 550 510	44 757 714	4 767 693 000	1.92
WFPm	2014	99 593 233	47 968 986	51 624 247	4 996 778 000	1.99
	2015	113 299 314	51 017 278	62 282 036	4 893 472 000	2.32
	Total	392 891 731	192 541 928	200 349 803	19 107 956 000	2.06
	2012	144 689 092	73 265 004	71 424 088	2 988 067 000	4.84
	2013	165 444 976	76 096 309	89 348 667	3 331 220 000	4.97
WHO	2014	184 575 907	81 213 399	103 362 508	3 962 280 000	4.66
	2015	226 342 000	104 117 320	122 224 680	4 117 982 000	5.50
	Total	721 051 975	334 692 032	386 359 943	14 399 549 000	5.01
	2012	19 541 578	9 937 100	9 604 478	352 674 000	5.54
	2013	21 994 606	10 935 275	11 059 331	369 351 000	5.95
WIPOf	2014	18 030 568	9 776 201	8 254 367	337 595 000	5.34
	2015	19 242 204	9 276 507	9 965 696	351 840 000	5.47
	Total	78 808 956	39 925 083	38 883 872	1 411 460 000	5.58

<sup>&</sup>lt;sup>a</sup> Source: Responses to questionnaire sent by JIU to participating organizations.

<sup>&</sup>lt;sup>b</sup> Source: A/71/583, pp. 50 and 51. UNOPS provided its total organizational expenditure via email on 2 June 2017. UN-Women provided its total organizational expenditure via email on 12 June 2017.

<sup>&</sup>lt;sup>c</sup> Currency converted from euros to United States dollars using the OECD average annual exchange rate. Exchange rate euro per United States dollar: 2012 (0.778), 2013 (0.753), 2014 (0.754), 2015 (0.902).

<sup>&</sup>lt;sup>d</sup> IAEA: 62 per cent of travel expenditure is for non-staff travel, of which 88 per cent is for programmatic delivery, including technical cooperation. A high percentage of the remaining 38 per cent is for the travel of inspectors (75 days on average per year), often to remote or difficult locations to implement the organization's obligations under safeguards agreements. The total cost per day decreased by 6.4 per cent from 2012 to 2015 due to efforts to combine trips and careful planning.

<sup>&</sup>lt;sup>e</sup> Currency converted from pounds sterling to United States dollars using the OECD average annual exchange rate. Exchange rate pound sterling per United States dollar: 2012 (0.633), 2013 (0.640), 2014 (0.608), 2015 (0.655).

f Currency converted from Swiss francs to United States dollars using the OECD average annual exchange rate. Exchange rate Swiss franc per United States dollar: 2012 (0.938), 2013 (0.927), 2014 (0.916), 2015 (0.962).

<sup>&</sup>lt;sup>g</sup> ITC: Data covers air ticket only and does not include DSA, terminal expenses or other travel-related expenditures.

<sup>&</sup>lt;sup>h</sup> UN-Women: Figures reflect the organization's full expenditure on travel as derived from all funding sources, including regular (core) resources, other (non-core) resources, extrabudgetary resources and regular budget resources.

<sup>&</sup>lt;sup>1</sup> UNDP: Travel expenses from institutional resources only. Costs are for all forms of travel, including, but not limited to, air travel.

<sup>&</sup>lt;sup>m</sup> WFP: Reported expenditure for all modes of transport. Approved budgetary data reflects total contributions received. Source: <u>www.wfp.org/funding/year.</u>

Total ai	Total air travel and related expenditure: United Nations Headquarters <sup>a</sup> and offices away from Headquarters (UNOG, b UNONc and UNOVd)										
	(Staff and non-staff o	combined, no spli	t between regula	r budget and extra	budgetary)						
Years											
2012	22 251 124	11 492 201	1 476 176	48 392 187	83 611 688						
2013	20 741 271	9 486 479	1 581 066	45 732 316	77 541 132						
2014	20 352 305	10 883 000	1 479 279	43 299 805	76 014 389						
2015	20 747 658	9 373 950	1 706 511	41 946 611	73 774 730						
Total	84 092 357	41 235 629	6 243 032	179 370 919	310 941 939						

Source: Responses to questionnaire sent by JIU to participating organizations.

<sup>&</sup>lt;sup>j</sup> UNFPA: Figures correspond to travel costs presented in the financial statements and include: (a) travel tickets (air travel and otherwise); (b) DSA; (c) terminal expenses; and (d) shipment and other travel expenses such as visas — for (i) all execution modalities (by UNFPA, otherwise known as direct execution, and through implementing partners, otherwise known as national execution) and for (ii) all sources of funding (core funding and other resources). Figures exclude travel costs related to staff entitlements, which are part of staff costs.

<sup>&</sup>lt;sup>k</sup> UNICEF: Non-staff travel costs include all modes of transportation (air, ground and water).

<sup>&</sup>lt;sup>1</sup>UNWTO: Does not include non-staff travel costs for 2014-2015.

<sup>&</sup>lt;sup>a</sup> UNHQ provides expenditure for air tickets only.

<sup>&</sup>lt;sup>b</sup> Air travel and related expenditure figures for UNOG include: CEB, the Department of Economic and Social Affairs, the International Law Commission, JIU, the Office for the Coordination of Humanitarian Affairs, the Office for Disarmament Affairs, the Office of the United Nations High Commissioner for Human Rights, OIOS, the United Nations Compensation Commission, UNCTAD, the United Nations Department of Safety and Security, ECE, the United Nations Institute for Disarmament Research, the United Nations Office for Disaster Risk Reduction, the United Nations Institute for Training and Research, the United Nations Joint Staff Pension Fund, the Division of Administration, the Division of Conference Management, the Department of International Protection, the UNOG Library, the Office of the Director-General, the Special Services Section, the Office of the Special Envoy of the Secretary-General for the Syrian Arab Republic, the United Nations Office on Sport for Development and Peace and the United Nations Research Institute for Social Development.

<sup>&</sup>lt;sup>c</sup> Air travel and related expenditure figures for UNON include: UNEP (Nairobi, Africa and meeting participants for 2010-2014; Africa, Middle East and meeting participants for 2015), UN-Habitat (Nairobi and meeting participants for 2010-2014; global and meeting participants for 2015) and UNON (including OIOS, the Division of Conference Services and the Department of Safety and Security). Also includes UNODC for 2014-2015 and travel to and from Somalia and Kenya by the Office for the Coordination of Humanitarian Affairs for 2015.

<sup>&</sup>lt;sup>d</sup> Air travel and related expenditure figures for UNOV include: the Office for Outer Space Affairs, the International Narcotics Control Board, the United Nations Commission on International Trade Law, the United Nations Information Service, the United Nations Postal Administration, the United Nations Register of Damage caused by the Construction of the Wall in the Occupied Palestinian Territory and the United Nations Scientific Committee on the Effects of Atomic Radiation.

<sup>&</sup>lt;sup>e</sup> Currency converted from Swiss francs to United States dollars using OECD average annual exchange rate. Exchange rate Swiss franc per United States dollar: 2012 (0.938), 2013 (0.927), 2014 (0.916), 2015 (0.962).

<sup>&</sup>lt;sup>f</sup> Currency converted from euros to United States dollars using OECD average annual exchange rate. Exchange rate euro per United States dollar: 2012 (0.778), 2013 (0.753), 2014 (0.754), 2015 (0.902). Source: <a href="https://data.oecd.org/conversion/exchange-rates.htm">https://data.oecd.org/conversion/exchange-rates.htm</a>.

Annex II: Categories of travel applicable in United Nations system organizations

	FAO	IAEA	ICAO	ILO	IMO	ITC	ITU	UNAIDS	UNCTAD	UNDP	UNEP	UNESCO	UNFPA	UN- Habitat	UNHCR	UNICEF	UNIDO	United Nations	UNODC	UNOPS	UNRWA	UN- Women	UNWTO	UPU	WFP	МНО	WIPO	WMO
Appointment	1	1	1	1	1	1	/	<b>✓</b>	1 🗸	/	/	1 /	/	1	<b>✓</b>	<u> </u>	1	<b>✓</b>	<b>✓</b>	1	<b>✓</b>	1	<b>✓</b>	/	/	/	/	<b>✓</b>
Breastfeeding mothers	1					1	<b>✓</b>	1		1					✓				<b>√</b>		1	✓			<b>✓</b>	<b>√</b>		✓
Change of duty station	/	1	1	1			1	1	<b>√</b>	/	✓	<b>✓</b>	1	<b>√</b>	✓	1	1	<b>√</b>	✓	1	1	✓	/		<b>✓</b>	1	✓	✓
Change of family status				1			1				1										1	✓			<b>✓</b>			
Decedents	/	1		/			1			/					1			<b>✓</b>	1			<b>✓</b>			<b>✓</b>	1		
Domestic partner				1				/			/							<b>✓</b>				/						
Education grant	1	1	/		/	1	1	1	/	1	1	<b>✓</b>	1	<b>✓</b>	/	1	1	/	1	/	1	1	1	/	<b>/</b>	/	1	<b>✓</b>
Family visit	1	1	/	/	/	1	1	1	/	1	1	<b>✓</b>	1	<b>✓</b>	/	1	1	/	1	/	1	1	1	/	<b>✓</b>	/		1
Home leave	<b>/</b>	<b>✓</b>	1	1	1	1	1	1	/	<b>/</b>	1	<b>✓</b>	1	<b>✓</b>	1	1	1	/	1	1	1	1	<b>/</b>	/	<b>✓</b>	1	1	1
Medical evacuation	/	1	1	1	1	1	1	<b>✓</b>		/	<b>✓</b>	✓	1		✓	1	1	✓	✓	1	1	1			<b>✓</b>	✓	✓	
Mission	<b>/</b>	<b>✓</b>	1	1	1	1	1	1	/	<b>/</b>	1	<b>✓</b>	1	<b>✓</b>	1	1	1	/	1	1	1	1	<b>/</b>	/	<b>✓</b>	1	1	1
Procurement						1	1	/												/		<b>✓</b>						
Rest and recuperation	/			1			1	/	<b>√</b>	<b>✓</b>	✓	<b>✓</b>	1		✓	1	1	<b>√</b>	✓	1		✓			<b>✓</b>	1		
Reverse education grant	1	1	1		1	<b>✓</b>	<b>✓</b>	<b>✓</b>		1	<b>✓</b>	<b>✓</b>	<b>✓</b>		<b>&gt;</b>	1		<b>✓</b>		1	1	✓			<b>✓</b>	<b>✓</b>		
Security evacuation	1	1	1	<b>✓</b>	1	<b>✓</b>	<b>✓</b>	<b>✓</b>		<b>✓</b>	<b>✓</b>	<b>√</b>	<b>✓</b>		<b>✓</b>	1	1	<b>✓</b>	<b>✓</b>	1	1	✓		<b>✓</b>	<b>✓</b>	<b>✓</b>	<b>✓</b>	
Separation	1	<b>✓</b>	/	1	1	<b>✓</b>	✓	1	1	1	1	✓	✓	1	1	1	<b>✓</b>	✓	1	/	✓	✓	1	<b>✓</b>	<b>✓</b>	1	1	<b>✓</b>
Single parents							1			1	1											<b>✓</b>						

Source: Organizations' policies and responses to questionnaire.

Other categories of travel: IAEA: travel to accompany a disabled staff member on duty travel; United Nations and ILO: interview or competitive examination, sabbatical and secondment; UNDP: learning and personal development and JPI; UNFPA: detail assignments, learning for UNFPA staff and training of counterparts; UNIDO: reconnaissance travel.

Annex III - Standards of accommodation for air travel for high-ranking officials applied by the United Nations, funds and programmes, specialized agencies and the International Atomic Energy Agency

Travel category	First class regardless of travel time	Business class regardless of travel time	Business class above 9 hours	Business class above 12 hours	Economy class regardless of travel time
Official business	IMO (SG), ITU (for SG, DSG and 3 Bureau Directors), United Nations (SG, DSG, PGA only), UNWTO (SG only), WIPO (DG only) WMO	ICAO, ILO (DG), <sup>b</sup> ITC, United Nations (USG and ASG), UNAIDS, UNDP (USG), UNESCO, UNFPA (ED), UNHCR, UNICEF, UNIDO, UNODC, UNOPS, UNRWA, UN-Women (ED), WHO (for DG, DDG, ED and 6 RDs)	UNWTO, WFP, WIPO (DDG and ADG)	FAO	
	•	– first class above 7 hours), UNDP and UN-Women (	ASG – business class	above 4 hour	rs); UNFPA (ASG – business class,
	r is 4 hours or less within same con ITU, United Nations (SG, DSG, PGA only), WIPO (DG	ntinent) ICAO, ILO (DG), ITC, United Nations (USG and ASG), UNDP (USG), UNESCO, UNFPA (ED),	WFP, WIPO (DDG and ADG)	FAO	IAEA, <sup>c</sup> IMO, UNAIDS, UNWTO, WHO
Appointment	only), WMO	UNHCR, UNICEF, UNIDO, UNODC, UNOPS, UNRWA	(DDG una TDG)		Citwio, wile
		ss above 4 hours); UNFPA (ASG – business class, exc	ept if journey is 4 hor	urs or less wi	thin same continent); UN-Women
(BC regardless of	of time but EC if journey is 4 hours	s or less and within same continent)			
Reassignment	ITU, United Nations (SG, DSG, PGA only), WIPO (DG only), WMO	ICAO, ILO (DG), ITC, United Nations (USG and ASG), UNDP (USG), UNESCO, UNFPA (ED), UNHCR, UNICEF, UNIDO, UNODC, UNOPS, UNRWA	WFP, WIPO (DDG and ADG)	FAO	IAEA, c IMO, UNAIDS, UNWTO, WHO
All other thresh	olds: UNDP (ASG – business cla	ss above 4 hours); UNFPA (ASG – business class, exc	ept if journey is 4 hor	urs or less wi	thin same continent)
Repatriation/ separation	ITU, United Nations (SG, DSG, PGA only), WIPO (DG only), WMO	ICAO, ILO (DG), ITC, United Nations (USG and ASG), UNDP (USG), UNESCO, UNFPA (ED), UNHCR, UNIDO, UNICEF, UNODC, UNOPS, UNRWA, UN-Women	WFP, WIPO (DDG and ADG)	FAO	IAEA, IMO, UNAIDS, UNWTO, WHO
All other thresh	olds: UNDP (ASG – business cla	ss above 4 hours); UNFPA (ASG – business class, exc	ept if journey is 4 hor	urs or less wi	thin same continent)
Evacuation	UN (SG, DSG, PGA only), WIPO (DG only), WMO	ICAO, ILO (DG), ITC, United Nations (USG and ASG), UNDP (USG), UNESCO, UNIDO, UNODC, UNOPS	WFP, WIPO (DDG and ADG)	FAO	UNAIDS, UNRWA
All other thresh		ss above 4 hours); UNFPA (ASG – business class, exc		urs or less wi	thin same continent)
Medical, safety and security	United Nations (SG, DSG, PGA only), WIPO (DG only), WMO	ICAO, ILO (DG), ITC, United Nations (USG and ASG), UNDP (USG), UNIDO, UNODC, UNOPS, UN-Women, UNESCO	WFP, WIPO (DDG and ADG)		FAO, UNAIDS, UNRWA, WHO

Travel category	First class regardless of travel time	Business class regardless of travel time	Business class above 9 hours	Business class above 12 hours	Economy class regardless of travel time
	•	JNDP (ASG – business class above 4 hours and within	same continent); UN	IFPA (ASG -	- business class, except if journey is
Learning and development	vithin same continent)  IMO (SG), United Nations (SG, DSG, PGA only), WIPO (DG only), WMO	ICAO, ILO (DG), ITC, United Nations (USG and ASG), UNESCO, UNHCR, UNICEF, UNIDO, UNODC	WIPO (DDG and ADG)		FAO, ITU, UNAIDS, UNDP, UNFPA, UNOPS, UNRWA, WFP
Home leave	United Nations (SG, DSG, PGA only), WIPO <sup>e</sup> (DG), WMO	United Nations (USG and ASG), ICAO, UNIDO, <sup>d</sup> ITC, UNICEF, <sup>f</sup> ILO (DG), <sup>g</sup> UNFPA (ED), UNDP (USG and ASG), UNOPS, UN-Women, UNESCO, UNHCR, UNODC, UNRWA.	WFP	FAO	IAEA <sup>c</sup> , IMO, ITU <sup>g</sup> , UNAIDS, UNWTO, WHO, WIPO (DDG/ADG) <sup>e</sup>
Family visit	ITU, United Nations (SG, DSG, PGA only), WMO	ICAO, ILO (DG), <sup>g</sup> ITC, United Nations (USG and ASG), UNDP(USG and ASG), UNESCO, UNFPA (ED), UNHCR, UNIDO, <sup>d</sup> UNICEF, <sup>f</sup> UNODC, UNOPS, UNRWA.	WFP	FAO	IAEA <sup>c</sup> , IMO, UNAIDS, UNWTO, WHO.
Education grant		ICAO, UNESCO, UNICEF, UNOPS, UNRWA.			FAO, IAEA <sup>c</sup> , ILO (DG), <sup>h</sup> IMO, ITC, ITU, United Nations, UNAIDS, UNDP, UNFPA, UNIDO, <sup>d</sup> UNODC, UNWTO, UN-Women, WFP, WHO, WIPO, WMO

Source: Organizations' policies and responses to questionnaire.

#### Notes:

FAO – Least costly fare for medical, safety and security and education grant travel; a higher class of travel may be used by the Director-General.

IAEA -For medical, safety and security travel, class is determined on a case-by-case basis for all staff.

IMO – No set policy for evacuation, medical, safety and security or separation travel.

ITU - First class entitlement but using business class; lump-sum option 80 per cent of the economy class ticket return; no set policy for education or medical, safety and security travel.

UNAIDS – For evacuation and medical, safety and security travel, upgrade to business class may be recommended by WHO Health and Medical Services on health grounds.

UNDP – Lump sum is set at 75 per cent for all entitlement travel.

UNFPA – For the Executive Director, business class regardless of time. For Deputy Executive Directors: for intercontinental flights, business class regardless of time; and for same-continent flights, business class if more than four hours and economy if less than four hours.

UNHCR – No set policy for the following travel categories: education grant, evacuation, medical, safety and security or learning and development travel.

UNRWA –For evacuation and medical, safety and security travel, the Commissioner-General or his or her delegate may approve business class if health conditions require it.

UN-Women – No set policy for reassignment or learning and development travel. Evacuation travel is managed by UNDP country offices.

UNWTO – No set policy for evacuation or medical, safety and security travel.

WFP - Medical travel can be in business class regardless of travel time if certified by the medical office.

WHO- No set policy for evacuation, medical, safety and security or learning and development travel.

WMO – The Secretary-General is the only staff member who falls under this category; others are considered as "all other staff".

Abbreviations: ASG, Assistant Secretary-General; DG, Director-General; DDG, Deputy Director-General; DED, Deputy Executive Director; DSG, Deputy Secretary-General; ED, Executive Director; PGA, President of the General Assembly; RD, Regional Director; SG, Secretary-General; and USG, Under-Secretary-General.

- <sup>a</sup> Additionally, one staff member of the security detail for the Secretary-General and Deputy Secretary-General are entitled to travel in the same cabin as that of the protectee, as per ST/AI/2013/3, para. 4.3 (b).
- <sup>b</sup> ILO Director-General may be accommodated in first class if business class is not available.
- <sup>c</sup> IAEA provides a lump-sum payment only, calculated as a percentage of the lowest full economy fare by the most direct route.
- <sup>d</sup> Lump sum: 75 per cent of full fare.
- <sup>e</sup> Lump sum: 80 per cent of full fare.
- <sup>f</sup> Lump sum: economy class fare. If arranged by UNICEF: business class irrespective of travel time.
- <sup>g</sup> Lump-sum option: 80 per cent of full fare economy ticket.
- <sup>h</sup> Lump-sum option: 65 per cent of full fare economy ticket.

Annex IV - Standards of accommodation for air travel of all other staff (D-2 and below)<sup>a</sup> applied by the United Nations, funds and programmes, specialized agencies and the International Atomic Energy Agency

Travel category	Business class 9 hours and above	Economy class regardless of travel time	All other thresholds
Official business	ICAO, ILO, ITC, ITU, United Nations, <sup>b</sup> UNDP, UNWTO, UNFPA, UNHCR, UNICEF, UNIDO, UNODC, <sup>b</sup> UNOPS (below D-1), UNRWA, UN-Women, WFP, WHO, WIPO, WMO	UNESCO, UPU	FAO (business class above 12 hours) IAEA (business class above 7 hours) IMO (business class above 7 hours) UNAIDS (premium economy above 12 hours) UNIDO (D-2 business class regardless of time) UNOPS (D-1and D-2 business class above 8 hours)
Appointment	ICAO, ILO, ITC, ITU, United Nations, UNDP, UNFPA, UNHCR, UNICEF, UNIDO (below D-2), UNODC, UNOPS (below D-1), UNRWA, UN-Women, WFP, WIPO, WMO	IMO, ITC, UNAIDS, UNESCO, UNWTO, WHO	FAO (business class above 12 hours) IAEA <sup>c</sup> (lump-sum option only) UNIDO (D-2 business class regardless of time) UNOPS (D-1 and D-2 business class above 8 hours)
Reassignment	ICAO, ILO, ITC, ITU, United Nations, UNDP, UNFPA, UNHCR, UNICEF, UNIDO (below D-2), UNODC, UNOPS (below D-1), UNRWA, UN-Women, WFP, WIPO, WMO	IMO, ITC, UNAIDS, UNESCO, UNWTO, WHO	FAO (business class above 12 hours) IAEA (lump-sum option only) UNIDO (D-2 business class regardless of time) UNOPS (D-1 and D-2 business class above 8 hours)
Repatriation/ separation	ICAO, ILO, ITC, ITU, United Nations, UNDP, UNFPA, UNHCR, UNICEF, UNIDO (below D-2), UNODC, UNOPS (below D1), UNRWA, UN-Women, WFP, WIPO, WMO	IMO, ITC, UNAIDS, UNESCO, UNWTO, WHO	FAO (business class above 12 hours) IAEA (lump-sum option only) UNIDO (D-2 business class regardless of time) UNOPS (D-1 and D-2 business class above 8 hours)
Evacuation	ICAO, ILO, ITC, United Nations, UNIDO (below D-2), UNOPS (below D-1), WFP, WIPO	UNAIDS, UNDP, UNESCO, UNFPA, UNHCR, UNODC, UNRWA, WMO	FAO (business class above 12 hours) UNIDO (D-2 business class regardless of time) UNOPS (D-1 and D-2 business class above 8 hours)
Medical, Safety and security	ICAO, ILO, UNIDO (below D-2), UNOPS (below D-1), WFP, WIPO	FAO, ITC, United Nations, UNAIDS, UNDP, UNESCO, UNFPA, UNHCR, UNODC, UNRWA, UN-Women, WHO, WMO	IAEA (class determined on case-by-case basis) UNICEF (class determined on available space) UNIDO (D-2 business class regardless of time) UNOPS (D-1 and D-2 business class above 8 hours)
Learning and development	ILO, UNIDO (below D-2), WIPO, (below D-2)	FAO, ICAO, ITC, ITU, United Nations, UNAIDS, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNODC, UNOPS, UNRWA, UN-Women, WFP, WMO	IMO (business class above 7 hours) UNIDO (D-2 business class regardless of time)

Travel category	Business class 9 hours and above	Economy class regardless of travel time	All other thresholds
Home leave	ILO, UNIDO (below D-2), UNOPS (below D-1), WFP	ICAO, IMO, ITC, ITU, United Nations, UNAIDS, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNODC, UNRWA, UNWTO, UN-Women, WHO, WIPO, WMO	FAO (business class above 12 hours) IAEA (lump-sum option only — max. 3 500 euros) UNIDO (D-2 business class regardless of time) UNOPS (D-1 and D-2 business class above 8 hours)
Family visit	ILO, UNIDO (below D-2), UNOPS (below D-1), WFP	ICAO, IMO, ITC, ITU, United Nations, UNAIDS, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNODC, UNRWA, UNWTO, UN-Women WHO, WMO	FAO (business class over 12 hours) IAEA (lump-sum option only — maximum 3 500 euros) UNIDO (D-2 business class regardless of time) UNOPS (D-1 and D-2 business class above 8 hours)
Education grant	UNOPS (below D-1)	FAO, ICAO, ILO, IMO, ITC, ITU, United Nations, UNAIDS, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNODC, UNRWA, UNWTO, UN-Women, WFP, WHO, WIPO, WMO	IAEA (lump-sum option only) UNOPS (D-1 and D-2 business class above 8 hours)

Source: Organizations' policies and responses to questionnaire.

#### Notes:

FAO – Higher class of travel can be authorized for medical reasons. Least costly fare for medical, safety and security and education grant travel.

IAEA – For medical, safety and security travel, class is determined on a case-by-case basis, as appropriate, based on the situation.

IMO – No set policy for evacuation, medical, safety and security or separation travel.

ITU – No set policy for evacuation or medical, safety and security travel.

UNAIDS – For evacuation and medical, safety and security travel, upgrade to business class may be recommended by WHO Health and Medical Services on health grounds.

UNESCO – For D-2 and below, economy class for all types of travel unless otherwise authorized by the chief medical officer.

UNHCR – Business class above 9 hours for direct travel and above 11 hours for a multi-leg or non-direct flight.

UNRWA – For evacuation and medical, safety and security travel, the Commissioner-General or his or her delegate may approve business class if health conditions require it.

UN-Women – Evacuation travel is managed by UNDP country offices.

UNWTO – No set policy for evacuation, safety and security or learning and development travel.

WFP - Medical travel can be in business class regardless of travel time if certified by the medical office.

WHO – No set policy for evacuation or learning and development travel.

WIPO – No set policy for family visit travel.

<sup>a</sup> For ILO, "all other staff" includes the Deputy Director-General and below. For WMO, it includes the Deputy Secretary-General, Assistant Secretary-General and below.

<sup>b</sup> Nine hours for direct flight, 11 hours for combined flights.

<sup>c</sup> IAEA provides lump-sum option only, calculated as a percentage of the lowest full economy fare by the most direct route for all statutory travel.

Annex V - Standard of accommodation for non-staff

Categories of non-staff	First class irrespective of time	Business class irrespective of time	Economy class	Business class for flight over 12 hours	Business class for flight over 9 hours	Business class for flight over 7 hours	Business class for flight over 6 hours
Member States representatives	UN-Women <sup>a</sup>	UNAIDS, <sup>b</sup> UNFPA, <sup>c</sup> UNIDO	FAO, IAEA, United Nations, d UNAIDS, UNICEF, UPU, WHO, e WIPO		ICAO, ILO, ITU, f UNHCR, g UNODC, UN-Women, a WFP, h WIPO, i		
Members of organs and subsidiary organs		United Nations, UNHCR, <sup>g</sup> UNIDO, UNODC, UN- Women	FAO, IAEA, ILO, UNAIDS, UNFPA, UNICEF, UPU		ICAO, ILO, <sup>j</sup> ITU, <sup>f</sup> UNAIDS, <sup>b</sup> UN- Women, <sup>a</sup> WFP, <sup>h</sup> WIPO		
Guests: eminent and prominent persons	WHOe	ILO, <sup>j</sup> UNAIDS, UNFPA, UNIDO, UNODC, <sup>k</sup> WFP, <sup>h</sup> WHO, <sup>e</sup> WIPO, <sup>i</sup>	IAEA, ITC, United Nations, UNDP, UNICEF	FAO	ICAO, ITU, <sup>f</sup> UNHCR, <sup>g</sup> UNWTO <sup>l</sup>		
Consultants/ contractors			FAO, <sup>m</sup> IAEA, ILO, ITC, ITU, United Nations, UNAIDS, UNDP, UNEP, UNESCO, <sup>n</sup> UNFPA, UNHCR, UNICEF, UNIDO, UNODC, UNRWA, <sup>o</sup> UNOPS, <sup>p</sup> UN-Women, UPU, WFP, WHO, <sup>e</sup> WIPO	FAO (consultants only)	ICAO, UNWTO,	IMO	
Other	UNODC, WHO <sup>e</sup>	UNFPA°	UNHCR, <sup>g</sup> UN-Women, <sup>p</sup> WHO <sup>11</sup>		UNHCR,g WIPOi		WHO <sup>e</sup>

Source: Organizations' policies and responses to questionnaire.

#### Notes:

UN-Habitat and WMO did not answer the questionnaire.
UNCTAD did not complete the questionnaire segment dealing with non-staff travel.

Footnote	Organization	Remarks
m	FAO	Staff rules are applied to consultants. However, a contractor has to travel in economy class irrespective of the duration of the flight.
j	ILO	Staff rules are applied to some bodies and committees (nine-hour threshold), while economy class irrespective of time can be granted for some committees and meetings. For eminent and prominent persons, business class is allowed if the exception is granted by the Cabinet.
f	ITU	The ITU Travel Policy applies to representatives of Member States, members of organs and subsidiary organs and to eminent and prominent persons.
d	UN	All non-staff members may travel in the class above economy if an exception is granted by the Office of the Under-Secretary-General for Management
b	UNAIDS	Regarding representatives of Member States, minister level and above are authorized to travel in business class regardless of the travel duration. Regarding members of organs and subsidiary organs, Programme Coordinating Board members are authorized to travel in business class for formal Board meetings and field visits when the travel time exceeds nine hours.
С	UNFPA	Regarding representatives of Member States: only the head of delegation is entitled to travel in business class.  Other: an exception is sought from the Executive Director prior to each meeting of the Audit Advisory Committee for its members to travel in business class.
g	UNHCR	Staff rules are applied to representatives of Member States and to eminent and prominent persons. Members of organs and subsidiary organs have the same standard of accommodation as the Assistant Secretaries-General, and Special Rapporteurs receive 140 per cent DSA. United Nations volunteers and non-UNHCR participants in meetings are entitled to economy class regardless of travel time. United Nations experts, external candidates and panelists travelling for recruitment interviews are entitled to business class when travel is over nine hours.
k	UNODC	Eminent and prominent persons can travel in business class if approved by the Under-Secretary-General for Management. One representative of a least developed country attending regular, special or special emergency sessions of the General Assembly is entitled to a first class ticket.
1	UNWTO	Staff rules apply to eminent and prominent persons, and payment for their travel requires the specific approval of the Secretary-General.
h	WFP	The representatives of Member States who are entitled to business class are the president and members of the Executive Board. The Members of organs and subsidiary organs entitled to business class are the members of the external Audit Committee. Regarding eminent and prominent persons, pro bono guests may be provided with business class.
e	WHO	Non-staff travellers will not be provided business class tickets, irrespective of the travel duration. However, in exceptional circumstances, provision of business class tickets may be approved for temporary advisers, experts, members of expert committees and consultants, if appropriate justification is provided, and if the travel duration exceeds nine hours.  Delegations to the World Health Assembly: Each least developed country is provided with a return economy class ticket for one delegate or associate delegate. Representatives to regional committees: each member or associate member of a WHO regional

Footnote	Organization	Remarks
		committee whose contribution to the WHO regular budget is at the minimum rate in the scale of assessments is provided with a
		return economy class ticket for one delegate or associate delegate from each designated country.
		Members of the WHO Executive Board (or alternates) are provided with an economy class ticket (or business class ticket for
		flights exceeding six hours), while the Chairman of the Executive Board is entitled to a return first class ticket irrespective of
		journey time.
		When the traveller is an eminent person, such as a former Head of State, or a prominent personality who is donating his or her
		services free of charge to the Organization, he or she may be accorded business class or first class travel.
		Business only for representatives attending assemblies of Member States and standing committees when travel is above nine
i	WIPO	hours. Tickets in business class for eminent and prominent persons must be authorized by the Director-General. Speakers or
		lecturers are entitled to a ticket in business class if the duration of travel is above nine hours.
		The UNESCO Administrative Manual (para 5.11) states that non-staff travel by economy class (or equivalent, depending on the
n	UNESCO	mode of transportation) and that they must not exceed the class of travel applicable to UNESCO staff members of the equivalent
		level.
		According to the travel rules (AI/CSPG/2014/01 rev.3, 5.2.1), individual contractors are provided with economy class irrespective
p	UNOPS	of flight duration. If the traveller is considered an eminent or prominent person, he or she can request a higher standard of
		accommodation.
0	UNRWA	All non-staff personnel travel in economy class.
		General Assembly participants from least developed countries are entitled to one first class ticket irrespective of the duration of
		the journey and four tickets in economy class for journeys of less than nine hours, or in accommodation in the class immediately
a		below first class for journeys of more than nine hours. Regarding members of organs or subsidiary organs, if the member is an
	UN-Women	accredited permanent representative, accommodation will be in business class irrespective of time (ST/AI/2006/4). The Executive
	OTA- W OHIGH	Board members will be given the same ticket entitlements as UN-Women staff. Members of the Committee on the Elimination of
		Discrimination against Women are entitled to business class irrespective of travel time.
p		Meeting participants, interviewees, associate experts, junior professional officers, United Nations volunteers and fellows travel in
_		economy class regardless of travel time.

Annex VI – Some examples of travel policy reforms implemented by Joint Inspection Unit participating organizations

Organization	Year	Reforms implemented
TT 4: 3 37 :4	reviewed	
United Nations		• ST/AI/2013/3 was issued to implement the decision made by the General Assembly on the standards of accommodation for air
UNCTAD	2012	travel. The new administrative instruction also included a change to the travel entitlement for non-United Nations officials
UNEP	2013 and	travelling on behalf of the organization, with the exception of those explicitly excluded from the new policy in accordance
UN-Habitat	2016	with section 6, paragraph 20, of General Assembly resolution 67/254 A.
UNOV/UNODC		• Reduction of lump-sum payment from 75 to 70 per cent of the least restrictive class fare.
UN-Women		<ul> <li>Article VII (travel and removal expenses) of ST/SGB/2016/1 replaced provisions on excess baggage and accompanied shipment contained in ST/AI/2006/5.</li> </ul>
UNAIDS	2016	UNAIDS travel policy.
ITC	2013	Administrative instruction (ITC/AI/2013/05) — latest travel policy.
110	2013	Information circular — calculation methodology for the lump-sum option.
UNDP	2013	The Programme's reviews of travel policies and related work flows have resulted in three policy revisions in the past five
UNDI		years. A comprehensive review was undertaken in 2013 with senior management endorsement.
UNFPA	2014	Adopted the UNDP duty travel policy. A review of the UNDP policy was initiated in 2016 and results thereof are expected.
UNHCR	2013	Inter-office memorandum — mode, dates, route, and standard of travel; rest period; travel time on home leave and family visit; DSA; and lump sum.
UNICEF	2015	Administrative instruction.
TIMODG	2015	Administrative instruction — official duty travel relating to individual contractors.
UNOPS		Administrative instruction — official duty travel relating to staff and non-UNOPS personnel.
UNRWA	2015	Austerity measures — international travel; business travel; in-person interviews; venues for training sessions, workshops and retreats; attendance at advisory commission meetings; and international consultancy contracts.
WFP	2012	Circular from the Executive Director — new corporate duty travel standards, lump sum for entitlement travel, monthly subsistence living sum for consultancy in field offices, and air travel standards.
FAO	2015	FAO manual, chapter IV – travel: authority; travel planning at headquarters and at offices away from headquarters; transportation; DSA; procedures; lump sum; entitlement travel; and travel for non-FAO personnel.
IAEA	2014	SEC/DIR/218 — Revised staff rules and procedures relating to common staff cost travel.  SEC/DIR/220 — Revised staff rules and procedures relating to travel.  AM.II/9 — Personnel administration and staff welfare: staff travel procedures.
ICAO	2016	Administrative instructions on official travel — travel authorization, sustainable travel (minimizing environmental, social and economic impact), acceptance of no-cost travel or hospitality, and lump sum for statutory travel.
ILO	2015	Collective agreement on travel conditions between the International Labour Office and the ILO Staff Union — class of travel, exceptions, compensatory leave, rest period, limitation of travel on official business, and monitoring of health impact.

Organization	Year	Reforms implemented								
	reviewed									
		Latest travel policies and procedures.								
IMO	2014	avel manual — mission travel, entitlement travel, DSA, terminal expenses, travel time and rest stopovers.								
		Service Order 13/11 — travel request information processing system for official travel.								
	2013	Service Order 13/12 — mandatory safety and security training for official travel.								
ITU		Service Order 13/14 — conditions governing official travel.								
110	2014	Service Order 14/03 — delegation of authority for approval of travel authorizations.								
	2015	Service Order 15/09 — processing of travel authorization forms, laissez-passer and visas and conditions governing travel								
	2013	payments.								
UNESCO	2012	BFM/FPC/2012/04 — policy and procedures relating to travel by participants at meetings and conferences.								
UNESCO	2012	DG/Note/12/11REV — efficiency measured regarding official travel and statutory travel.								
	2015	Bulletin issued by the Director-General — standard of accommodation; travel time; deviations from the approved route, mode								
UNIDO		of transportation or standard of accommodation; travel procedures and arrangements; security clearance and training; and								
		accountability.								
UNWTO	-	No recent review undertaken.								
UPU	-	No recent review undertaken.								
WFP	2017	WFP corporate travel standards 2017 (RMM/2017/001) and WFP revised provisions applicable when lump sum is chosen for								
WFF		entitlement travel (RMM/2017/002).								
	2011	WHO e-manual — change of travel policy.								
		WHO duty travel — approval of travel requests and checking of travel claims.								
	2014	Changes to the travel and related entitlements of temporary staff members — assignment grant, shipment entitlement and non-								
WHO		removal allowance.								
WHO		Change of policy for statutory travel.								
	2015	Per diem for consultants.								
		Duty travel — security clearance.								
	2017	Updated travel policy.								
WIPO	2013	Staff regulations and rules — latest travel policy.								
WMO	2015	WMO standing instructions — latest travel policy.								

Source: Organizations' policy documents and responses to JIU questionnaire.

#### **Annex VII** – Key performance indicators

#### **Key performance indicators** — air travel expenditure

Compliance with advance travel request approval

Compliance with travel spend ceiling

Percentage of tickets purchased in compliance with advance purchase policy

Average air ticket price compared with the previous year and with the IATA fare

Total cost avoidance achieved through negotiated corporate fares compared with public fares (amount and percentage)

Cost avoidance compared with public fares, broken down by class of service, air carrier and type of itinerary (inbound, outbound and network travel)

Usage of airline with agreements concluded

Ticket exchanges and reimbursement tracking

Compliance with lowest fare

Class of travel compliance

Average air ticket price by routing and airline

Total net spent on air travel for top routes

Average ticket price in economy and business classes for top routes

Total gross and net spent on air travel, broken down by class of accommodation, type of travel (intercontinental) and air carriers

Out of policy air ticket expenditure

Amount of travel fees and travel agent fees as a percentage of the total spent on air travel

Usage of low-cost airlines

Online booking tool adoption rate

## Key performance indicators — travel management company performance

Average processing time of mission and human resources travel

Percentage of entitlement travel processed in less than 48 hours

Travel management company responsiveness: percentage of emails responded to within six business hours

Percentage of mission and human resources travel processed in less than 24 hours

Travel management company responsiveness: percentage of all telephone calls answered within five rings or 20 seconds

Travel management company quality of service: average overall satisfaction based on a 10-level measurement.

Source: Organizations' responses to JIU questionnaire.

## Annex VIII – Policies on advance booking and purchasing as regards air travel

FAO	Submit in advance a quarterly schedule of proposed trips for each staff member in the division to the department head, showing: (a) localities to be
	visited; (b) dates; (c) purpose of travel; (d) funding; and (e) cost.
	Source: FAO manual, chapter IV – travel (1 January 2015), sect. 401 duty travel, para. 401.2.2.
IAEA	Travel reservations and related air ticket issuances must be made at least 14 days prior to departure, failing which an appropriate justification must be
	entered into the enterprise resource planning system travel module by the allotment manager.
	Source: Personnel administration and staff welfare, part II, sect. 9 AM.II/9, staff travel procedures, para. 9.
ICAO	Staff members must commence their travel arrangements as early as possible and, unless stated otherwise elsewhere, preferably at least 21 calendar
	days prior to the anticipated travel date. It is understood, however, that some travel has to be undertaken at short notice. Staff members are reminded
	that the administrative process for official travel has basic minimum requirements and standards that must be adhered to despite the urgent nature of
	the travel.
	Source: Administrative instructions on official travel (1.1).
ILO	All tickets must be booked as soon as possible and normally no later than two weeks (14 days) prior to the departure date.
	Source: Office procedure IGDS Number 437, version 1 September 2015, para. 11.6.
IMO	Recommendation of two weeks advance purchase of air ticket.
	Source: IMO questionnaire response.
ITC	All travel arrangements for individuals travelling on behalf of ITC, including advance booking and purchase of tickets, should be finalized 16
	calendar days in advance of the commencement of official travel.
	Source: ITC/AI/2013/05, para. 3.3.
ITU	The travel authorization form, duly validated, must be received by the travel section no later than 30 working days before the start of the mission.
	Source: Service order 15/09, processing of travel authorization forms, laissez-passers and visas and conditions governing travel payments, para. 4.a.
United Nations,	All travel arrangements for individuals travelling on behalf of the United Nations, including the advance booking and purchase of tickets, should be
UNEP, UNCTAD,	finalized 16 calendar days in advance of the commencement of official travel.
UNODC	Source: Administrative instruction ST/AI/2013/3, para. 3.3.
UNAIDS	All travel arrangements must be concluded at least 10 working days before departure. This includes: creation, clearance of quality assurance, and
	approval(s) of the travel request as well as purchase of the ticket. In-country travel is exempt from the 10 working days requirement. The requirement
	to complete travel arrangements 10 working days prior to departure is waived on a trial basis for international travel departing from liaison, regional
	and country offices.
	Source: UNAIDS information note – travel policy 04 February 2016.
UNDP and	Travellers are strongly encouraged to confirm travel itineraries as early as possible and to purchase airline tickets at least 21 days in advance of travel
UNFPA	to have the best opportunity to confirm the lowest fare.
	Source: UNDP administrative services duty travel policy as of 2016, route, mode of transportation and standards of accommodation, p. 7.
UNHCR	Travel authorization and bookings shall be finalized 16 days prior to the intended travel date.
	Source: UNHCR questionnaire response and IOM/072-FOM/073/2013.
UNESCO	All tickets must be booked at least two weeks (14 calendar days) prior to the departure date or at least three weeks (21 calendar days) prior to the
	departure date in cases where travel dates are set well in advance and are not likely to change.
	Source: UNESCO administrative manual 15.2, para. 5.5.

UNICEF	Staff members must start their travel arrangements as early as possible and preferably at least 21 calendar days prior to the anticipated travel date.
	Source: CF/AI/2014-001 Amend.1, para. 11.3.
UNOPS	The traveller should aim to book the ticket seven days in advance of departure.
	Source: Administrative instruction AI/CSPG/2014/01 Rev.3, para. 2.1.7.
UNRWA	Travellers are strongly encouraged to confirm travel itineraries as early as possible and to purchase airline tickets at least 15 days in advance of travel
	so as to have the best opportunity to confirm the lowest fare.
	Source: Administrative services instruction No.01/2016, official travel guidelines for UNRWA personnel, para. 5.11.
UN-Women	Travel requests shall be submitted to the headquarters or field unit processing travel at least 15 working days before the date of travel.
	Source: Division of Management and Administration — duty travel, para. 2.7.
UPU	The travel authorization form must be submitted through the proper hierarchical channels as soon as possible, and the process must be completed no
	later than 15 days (preferably four weeks) before the departure date.
	Source: Staff rules of the International Bureau of the Universal Postal Union, paras. 107.7 and 107.11; administrative instruction (DRH) No.10/Rev 8
	(A.2).
WFP	Travelers shall purchase air tickets at least 14 calendar days in advance of departure.
	Source: WFP corporate travel standards 2017 (RMM/2017/001).
WHO	Duty travel for staff members must be registered in an annual travel plan, which should be prepared at the departmental level in headquarters and
	regional offices and at field level in country offices, and should be updated quarterly, at least two weeks prior to the beginning of each quarter. Travel
	requests for international duty travel by air for staff must be fully approved not later than 14 calendar days (7 calendar days for in-country travel) before
	the date of departure. The only exception to this is travel in response to a recognized emergency event or programme.
	Source: WHO e-manual, VII. on duty travel and VII.1 on general policy and principle.
WMO	All travel arrangements for individuals travelling on behalf of WMO, including the advance booking and purchase of tickets, shall be finalized 16
	calendar days in advance of commencement of official travel.
	Source: WMO standing instructions, para. 6.4.5.
WIPO	Prior to the start of a new biennium and for each year, each WIPO sector has to propose a work plan. Missions are included in the annual work plan.
	Travel requests need to be received at least 16 calendar days in advance.
g O :- 4	Source: WIPO questionnaire response.

Source: Organizations' policy documents and responses to JIU questionnaire.

Note: UNIDO and UNWTO: No advance travel policy; UN-Habitat: No response provided.

Annex IX: Percentage savings through one- or two- month (compared with five-day) advance purchase by route

Routes	Economy (5-31 days)	Economy (5-60 days)	Premium economy (5-31 days)	Premium economy (5-60 days)	Business (5-31 days)	Business (5-60 days)	First (5-31 days)	First (5-60 days)
New York-Geneva	30	55	36	100	-1	45	32	32
Geneva-Bangkok	21	15	-15	-36	20	7	-35	-8
New York-Rome	49	52	-47	-4	25	46	26	30
Geneva-Nairobi	-18	8	11	8	5	3	21	34
Beirut-New York	40	19	17	31	29	35	34	36
Addis Ababa-New York	62	59	1	1	31	8	15	10
Santiago-New York	62	62	NA	NA	4	-59	35	35
Vienna-New York	30	24	-2	19	-2	14	0	-3
Paris-New York	36	37	26	25	37	47	-12	16

Source: JIU research.

Annex X – Application and percentage use of the lump-sum option

Organization	Calculation methodology <sup>a</sup>	Percentage applicable for lump sum	Appoint- ment	Perce ntage use	Change of duty station	Perc enta ge use	Separation/ repatriation	Perc enta ge use	Home leave	Perce ntage use	Family visit	Perc enta ge use	Education	Percen tage use	Reverse education grant	Percen tage use	Rest and recup- eration	Percen tage use
FAO	Flex fare	75	✓	41	✓	74	✓	82	✓	84	✓	89	✓	99	×	×	✓	96
IAEA	LRECBF	65	×	×	×	×	×	X	×	×	×	×	×	×	×	×	×	×
ICAO	LRECBF	55	×	×	×	×	×	X	✓	99.9	✓	99.9	✓	99.9	✓	99.9	×	×
ILO	Flex fare	80	×	×	×	×	×	X	✓	×	✓	×	√ (65%)	×	×	×	✓	×
IMO	Flex fare	75	×	×	×	X	×	×	1	99	×	X	✓	95	×	×	×	×
ITC	LRECBF	70	×	×	×	X	×	X	1	73	×	0	✓	90	✓	100	×	×
ITU	LRECBF	80	×	×	×	X	×	X	1	98	×	X	×	×	×	×	×	×
UNITED NATIONS	LRECBF	70	×	×	×	×	<b>✓</b>	0.02	<b>✓</b>	94.69	✓	0.4	✓	3.77	×	×	×	×
UNAIDS	LRECBF	75	✓	83	✓	87	✓	97	1	96	✓	100	✓	87	X	×	✓	91
UNCTAD	LRECBF	70	×	×	×	×	✓	50	✓	90	✓	100	✓	100	×	×	✓	100
UNDP	LRECBF	70	✓	100	✓	100	✓	100	1	100	✓	100	✓	100	✓	100	✓	100
UNEP	LRECBF	70	×	×	×	×	×	X	×	×	×	X	×	×	X	×	×	×
UNESCO	Flex fare	50	✓	83	✓	69	✓	90	1	89	✓	84	✓	83	×	×	✓	94
UNFPA	LRECBF	70	✓	100	✓	100	✓	100	<b>/</b>	100	✓	100	<b>\</b>	100	✓	100	✓	100
UN-Habitat	Not known	Not known	×	×	×	X	×	X	×	×	×	X	×	×	×	×	×	×
UNHCR	LRECBF	70	×	×	×	×	×	X	×	×	×	×	×	×	×	×	×	×
UNICEF	LRECBF	75	✓	50	✓	50	✓	90	✓	95	✓	100	×	×	✓	50	X	×
UNIDO	LRECBF	75	×	×	×	×	×	X	<b>✓</b>	99	✓	99	<b>&gt;</b>	100	×	×	✓	100
UNODC	LRECBF	70	×	×	×	×	×	X	✓	90	✓	1	✓	90	×	×	×	×
UNOPS	LRECBF	75	✓	100	<b>✓</b>	100	<b>&gt;</b>	100	<b>√</b>	100	✓	100	<b>&gt;</b>	100	✓	100	✓	100
UNRWA	LRECBF	75	×	×	×	×	×	X	✓	100	✓	100	×	×	✓	100	✓	100
UN- Women	Not known	Not known	<b>✓</b>	100	✓	100 (HQ)	<b>✓</b>	100	1	100	×	×	✓	100 (HQ)	<b>✓</b>	100 (HQ)	✓	b
UNWTO	Not known	Not known	×	×	×	×	×	X	×	×	×	×	×	×	X	×	×	×
UPU	LRECBF	65	×	×	×	×	✓	35	1	95	✓	95	✓	95	X	×	×	×
WFP	Flex fare	70	✓	70	✓	82	✓	69	<b>✓</b>	80	×	×	✓	88	×	×	✓	84
WHO	LRECBF	75	×	×	×	X	X	X	×	×	×	X	×	×	×	×	×	×
WIPO	LRECBF	80	×	×	×	X	×	X	<b>✓</b>	100	×	X	×	×	×	×	X	×
WMO	LRECBF	75	×	×	×	×	×	X	×	×	×	×	×	×	×	×	×	×

Source: Organizations' responses to JIU questionnaire.

Abbreviations: HQ, Headquarters; LRECBF, least restrictive economy class base fare.

<sup>a</sup> Flex fare is the IATA economy class fare.

<sup>b</sup> Managed by country office.

Note: Other categories of lump-sum payments and organizations applying them: mission: UNOPS; visa and procurement: UN-Women; medical evacuation: UNESCO; medical security cases and non-dependent children in lieu of repatriation travel: IAEA.

## Annex XI - Advances of daily subsistence allowance and terminal expenses

FAO	<b>DSA:</b> In accordance with the schedule of rates established by ICSC. <b>Terminal:</b> \$63 for New York, \$38 elsewhere; \$11 if United Nations vehicle
	provided.
IAEA	<b>DSA:</b> The ICSC percentage components for DSA shall be applied. In the absence of a specific ICSC percentage, the DSA percentages shall be 50 per cent for accommodation (lodging), 15 per cent for lunch, 15 per cent for dinner and 20 per cent for incidentals. Supplemental DSA up to 30 per cent may be claimed where the hotel costs exceed those allowed under the ICSC percentages. <b>Terminal:</b> Flat rates: For all destinations except New York: \$38 for staff members, \$13 for eligible family members; for New York: \$63 for staff members, \$21 for each eligible staff member.
ICAO	<b>DSA</b> : 100 per cent of DSA rate established by ICSC. <b>Terminal:</b> A staff member will be paid an inclusive terminal allowance at a determined rate, and each eligible family member travelling with the staff member will be paid at a reduced rate.
ILO	<b>DSA</b> : 100 per cent. <b>Terminal:</b> Transfers and related costs between the official's place of residence and point of departure as well as between the point of arrival and hotel, and vice versa, are covered by lump-sum terminal allowance amounts. Actual expenses incurred for such journeys should not be indicated in the travel claim.
IMO	DSA: 90 per cent. Terminal: 90 per cent.
ITC	<b>DSA:</b> 100 per cent for staff members; 75 per cent for non-staff members (consultants, individual contractors and others). <b>Terminal:</b> 100 per cent.
ITU	<b>DSA:</b> 100 per cent. <b>Terminal:</b> Flat rates. Amounts are determined in accordance with rule 7.1.12 of the staff rules and are currently as follows: For all destinations except New York: \$30 for staff members, \$10 for each recognized dependant authorized to travel at the expense of the Union. For New York: \$50 for staff members, \$17 for each recognized dependant authorized to travel at the expense of the Union.
United	<b>DSA:</b> 100 per cent. <b>Terminal:</b> 100 per cent on the basis of amounts estimated and certified by the appropriate certifying officer. Seventy-five per cent
Nations UNAIDS	for individuals who are not staff members, such as consultants, individual contractors or members of committees. <b>DSA</b> : For travel within one day and exceeding 10 hours, a special subsistence allowance of 50 per cent of the normal per diem rate is paid.
UNAIDS	<b>DSA:</b> For traver within one day and exceeding 10 hours, a special subsistence anowance of 30 per cent of the normal per diem rate is paid. <b>DSA:</b> If the duration of the trip is less than 24 hours, 100 per cent if the traveller spends a night away, 40 per cent if the mission lasts more than 10
UNDP	hours, otherwise no DSA. If the duration of the trip is more than 24 hours, full DSA; reductions of DSA are applied if accommodation or meals are provided. <b>Terminal:</b> For staff and non-staff members: \$63 for New York, \$38 elsewhere; family members: \$21 for New York, \$13 elsewhere. No terminal allowance is provided when a vehicle (government or otherwise) is provided or when transportation is made available.
UNEP	<b>DSA:</b> 40 per cent for a journey of 10 hours or more; DSA plus 40 per cent for Assistant Secretary-General or above; DSA plus 15 per cent for director level. No DSA for home leave, family visit or education grant. When accommodation or meals are provided by the United Nations, by a Government or by a related institution, the rate of the DSA shall be paid as follows: 50 per cent if accommodation is provided, 70 per cent if meals are provided; 20 per cent if accommodation and meals are provided. <b>Terminal:</b> Reimbursement for each journey to or from the airport or other point of arrival or departure is \$30 and \$10 for each family member, except for New York, where it is \$50 and \$17 for each family member.
UNESCO	<b>DSA:</b> The DSA rates and the room as a percentage of DSA are listed in the administrative manual – appendix 15.2A. UNESCO reimburses the excess accommodation costs up to 50 per cent of the DSA. <b>Terminal:</b> Covered. Except if the transfer is provided at no cost to the traveller.
UNFPA	<b>DSA:</b> If the duration of the trip is less than 24 hours, 100 per cent if the travellers spends a night away, 40 per cent if the mission lasts more than 10 hours, otherwise no DSA; for trips longer than 24 hours, full DSA; reductions of DSA are applied if accommodation or meals are provided. <b>Terminal:</b> For staff and non-staff members: \$63 for New York, \$38 elsewhere. Family members: \$21 for New York, \$13 elsewhere.
UNHCR	<b>DSA:</b> 100 per cent. <b>Terminal:</b> No information.

UNICEF	<b>DSA</b> : 100 per cent. <b>Terminal:</b> No information.
UNIDO	<b>DSA</b> : 50 per cent accommodation, 10 per cent for each meal (breakfast, lunch and dinner), 20 per cent for miscellaneous expenses. <b>Terminal:</b> Terminal expenses are meant to include all expenditures for transportation between the airport or other point of arrival or departure and the hotel or other place of dwelling, including transfer of accompanied baggage and other incidental charges, except the costs provided under miscellaneous expenses.
UNOPS	<b>DSA:</b> If the duration of the trip is less than 24 hours, 100 per cent if the traveller spends a night away, 40 per cent if the mission lasts more than 10 hours, otherwise no DSA. If the duration of the trip is more than 24 hours, full DSA; reductions of DSA are applied if accommodation or meals are provided. <b>Terminal:</b> \$63 for New York, \$38 elsewhere; \$11 if a United Nations vehicle is provided; actual expense if the amount is at least \$10 greater than the above.
UNRWA	<b>DSA:</b> 50 per cent accommodation, 10 per cent for each meal (breakfast, lunch and dinner), 20 per cent for miscellaneous expenses (as per ASI 1/2016 para. 6.4). For day trips within the area of operations without an overnight stay outside the duty station, no DSA payment is provided to international staff. For local staff, a meal allowance is paid. <b>Terminal:</b> For staff and non-staff members: \$63 for New York, \$38 elsewhere, \$11 if transportation is provided. Flat rates for ground travel within the UNRWA area of operations: bridge (for travel from Gaza to Amman and from Amman to Gaza – for staff stationed in Gaza): \$145; bridge (for travel from the West Bank to Amman and from Amman to the West Bank): \$80; Rafah (for travel to and from Cairo by road): \$160.
UN- Women	<b>DSA:</b> 100 per cent for nights away from residence; 40 per cent for travel over 10 hours but less than 24 hours; 0 per cent if travel is less than 10 hours. <b>Terminal:</b> Flat rates: New York rate: \$63; elsewhere rate: \$38; government or United Nations vehicle is provided or any other type of transport is made available: \$11.
UPU	DSA: According to ICSC rates. Terminal: 100 per cent.
UNWTO	<b>DSA:</b> 50 per cent for accommodation, 30 per cent for meals, 20 per cent for miscellaneous expenses at the mission destination: taxi, bus, train and underground (subway) fares, telephone calls (local) and other incidental expenses. <b>Terminal:</b> Terminal expenses cover the costs of travel to and from the port of entry and the hotel and are additional to the DSA.
WIPO	<b>DSA:</b> 100 per cent. <b>Terminal:</b> Fixed rate of \$76 for staff members and \$26 for each dependant.
WHO	<b>DSA:</b> 100 per cent (up to 60 days everywhere and up to 30 days in New York); lower rate (after 60 days everywhere and after 30 days in New York). <b>Terminal:</b> \$38 (each way).
WMO	<b>DSA:</b> (a) Secretary-General: standard rate for the area and subject to a minimum of \$20; (b) Deputy Secretary-General and Assistant Secretary-General, all grades and supernumerary staff: Standard rate for the area. The "after 60 days" (reduced) rate is applicable; (c) eligible family members of staff members: as per staff rule 171.13 (d); (d) non-staff members travelling on behalf of WMO: in accordance with resolution 19 (EC-XLII) and general summary paragraph 15.4.15 (EC-XLIV). <b>Terminal:</b> Terminal expenses shall be deemed to cover all expenses for transportation between the airport or other point of arrival or departure and the hotel or other place of dwelling, including transfer of baggage and other related incidental charges.

Source: Organizations' policy documents.

Note: No information available from UNCTAD, UN-Habitat, UNODC, WFP or WHO.

## **Annex XII – Stopovers and rest periods**

Organization	Travel time	Stopover	and / or	Rest period upon arrival
	6 to 10 hours	No stopover		12 hours rest upon arrival
T	10 to 18 hours <sup>a</sup>	No stopover		24 hours rest upon arrival
FAO	0 101	Two stopovers	and	No rest upon arrival
	Over 18 hours	OR One stopover	and	24 hours rest upon arrival
	6 . 101	-		Not required to commence
IAEA	6 to 12 hours	No stopover		duty on the day of arrival
	Over 12 hours	No stopover		24 hours rest upon arrival
ICAO	6 to 10 hours	No stopover		12 hours rest upon arrival
ICAO	Over 10 hours	No stopover		24 hours rest upon arrival
	6 to 10 hours	No stopover		12 hours rest upon arrival <sup>c</sup>
	Over 10 hours	No stopover		24 hours rest upon arrival
ILO	Up to 5 hours	No stances		12 h
ILO	(overnight) <sup>b</sup>	No stopover		12 hours rest upon arrival
	Over 5 hours	No stopover		24 hours rost upon arrival
	(overnight) <sup>b</sup>	No stopover		24 hours rest upon arrival
	6 to 10 hours	No stopover		12 hours rest upon arrival
IMO	10 to 16 hours <sup>a</sup>	One stopover	or	24 hours rest upon arrival
iwo	Over 16 hours <sup>a</sup>	Two stopovers	and	No rest upon arrival
	Over 10 hours	OR One stopover	and	24 hours rest upon arrival
ITC	Over 6 hours	No stopover		12 hours rest upon arrival <sup>b</sup>
	6 to 10 hours <sup>d</sup>	No stopover		12 hours rest upon arrival
ITU	10 to 16 hours <sup>a</sup>	One stopover	or	24 hours rest upon arrival
110	Over 16 hours	Two stopovers	and	No rest upon arrival
	Over 16 hours	OR One stopover	and	24 hours rest upon arrival
United Nations	Over 6 hours	No stopover		12 hours rest upon arrival <sup>b</sup>
	6 to 10 hours	No stopover		12 hours rest upon arrival
UNAIDS	10 to 16 hours <sup>a</sup>	One stopover	or	24 hours rest upon arrival
UNAIDS	Over 16 hours	One stopover	and	24 hours rest upon arrival
		OR Two stopovers	and	No rest upon arrival
UNCTAD	Over 6 hours	No stopover		12 hours rest upon arrival <sup>b</sup>
	6 to 10 hours	No stopover		12 hours rest upon arrival
UNDP and	10 to 16 hours	No stopover		24 hours rest upon arrival
UNFPA	16 to 24 hours	One stopover	and	12 hours rest upon arrivale
	10 to 24 nours	OR No stopover	and	24 hours rest upon arrival
UNEP	Over 6 hours	No stopover		12 hours rest upon arrival <sup>b</sup>
	6 to 10 hours	No stopover		12 hours rest upon arrival
	10 to 16 hours <sup>a</sup>	One stopover	or	24 hours rest upon arrival
UNESCO		Two stopovers	and	No rest upon arrival
	Over 16 hours	OR One stopover	and	24 hours rest upon arrival
		OR No stopover	and	48 hours rest upon arrival
UNHCR	Over 6 hours	No stopover		12 hours rest upon arrival <sup>b</sup>
UNICEFf	6 to 12 hours	No stopover		12 hours rest upon arrival
CINCLI	Over 12 hours	No stopover		24 hours rest upon arrival
	6 to 10 hours	No stopover		12 hours rest upon arrival
UNIDO	10 to 16 hours <sup>a</sup>	One stopover	or	24 hours rest upon arrival
CINDO	Over 16 hours <sup>a</sup>	One stopover	and	24 hours rest upon arrival
	Over 10 Hours	OR Two stopovers	and	No rest upon arrival
UNODCg	Over 6 hours	No stopover		12 hours rest upon arrival <sup>b</sup>
	6 to 10 hours	No stopover		12 hours rest upon arrival
UN-Women	10 to 16 hours	No stopover		24 hours rest upon arrival
	16 to 24 hours <sup>h</sup>	One stopover	and	12 hours rest upon arrival

Organization	Travel time	Stopover	and / or	Rest period upon arrival
		OR No stopover	and	24 hours rest upon arrival
UNWTOi	10 to 12 hours	No stopover		12 hours rest upon arrival
UNWIO	Over 12 hours	No stopover		24 hours rest upon arrival
	6 to 12 hours	No stopover		12 hours rest upon arrival
UPU	12 to 16 hours <sup>a</sup>	One stopover	or	24 hours rest upon arrival
UPU	Over 16 hours	Two stopovers	and	No rest upon arrival
	Over 16 hours	OR One stopover	and	24 hours rest upon arrival
	6 to 10 hours	No stopover		12 hours rest upon arrival
W.ED	10 to 18 hours	One stopover	or	24 hours rest upon arrival
WFP	0 101	Two stopovers	and	No rest upon arrival
	Over 18 hours	OR One stopover	and	24 hours rest upon arrival
	6 to 12 hours (economy)	No stopover		Not expected to commence duty on same day as arrival
WHO	Over 12 hours (economy)	No stopover		24 hours rest upon arrival
	Any duration (business)	No stopover		No rest upon arrival
WIDO	6 to 10 hours	No stopover		12 hours rest upon arrival
WIPO	Over 10 hours	One stopover	or	24 hours rest upon arrival
WMO	Over 6 hours	No stopover		12 hours rest upon arrival <sup>b</sup>

Source: Organizations' policy documents.

Note: No information available from UN-Habitat, UNOPS or UNRWA.

## **REMARKS**

a	FAO, IMO, ITU, UNAIDS,	If the final stage of the journey is 6 hours or more, the traveller is entitled									
	UNESCO, UNIDO, UPU	to a rest period of 12 hours.									
	ILO, ITC, United Nations,										
b	UNCTAD, UNEP, UNHCR,	Only for staff travelling in economy class.									
	UNODC, WMO										
С	ILO	The 12-hour rest period includes one full overnight.									
d	ITU	When a staff member travels in a class other than economy class, he or									
	IIU	she will be required to commence duty within 4 hours upon arrival.									
		The final stage of the journey is more than 6 hours but less than 12 hours.									
e	UNDP, UNFPA	If the final stage of the journey is more than 12 hours, a stopover of less									
		than 24 hours may be granted.									
		Stopovers for rest purposes may exceptionally be authorized if required									
f	UNICEF	by a staff member's medical condition as certified by the United Nations									
		Medical Director.									
g	UNODC	Stopovers and rest periods are granted in accordance with ST/AI/2013/3.									
		If the final stage of the journey is 6 hours or more, the traveller is entitled									
h	UN-Women	to a rest period of 12 hours. If the final stage of the journey is 10 hours or									
		more, the traveller is entitled to a rest period of 24 hours.									
		If, after a stopover of not more than 12 hours, the duration of a journey is									
i	UNWTO	more than 10 hours, the traveller will not have to assume duty in the 12									
		hours upon arrival.									

Annex XIII

Overview of actions to be taken by participating organizations on the recommendations of the Joint Inspection Unit JIU/REP/2017/3

				Un	United Nations, its funds and programmes												ı e s	Specialized agencies and IAEA													
		Intended impact	CEB	United Nations*	UNAIDS	UNCTAD	ITC	UNDP	UNEP	UNFPA	UN-Habitat	UNHCR	UNICEF	UNODC	UNOPS	UNRWA	UN-Women	WFP	FAO	IAEA	ICAO	ПО	IMO	ITU	UNESCO	UNIDO	UNWTO	UPU	WHO	WIPO	WMO
Report	For action									$\boxtimes$			$\boxtimes$	$\boxtimes$	$\boxtimes$	$\boxtimes$		$\boxtimes$	$\boxtimes$	$\boxtimes$		$\boxtimes$		$\boxtimes$		$\boxtimes$		$\boxtimes$	$\boxtimes$	$\boxtimes$	
Rep	For information		$\boxtimes$																												
Recommendation 1		f		L	L			L	L	L	L	L	L	L	L	L	L		L				L	L	L	L	L	L	L	L	L
Recommendation 2		d		L													L			L			L	L			L			L	L
Recommendation 3		h		L																											
Recommendation 4		e		E	E			Е	Е	Е	Е	E	E	E	E	E	E	E	E	Е	Е	E	Е	Е	Е	E	E	E	E	E	E
Recommendation 5		e		E	E			Е	Е	Е	Е	Е	E	E	E	E	Е	E	Е	Е	Е	E	Е	Е	Е	Е	E	Е	E	Е	E
Recommendation 6		h		E	E				E	Е	E	E	E	E	E	E	E	E	E	E	E	E	Е	E	E	Е	E	E	E	E	E
Recommendation 7		d		L																											
Recommendation 8		d		L																											
Recommendation 9		c		L																											

Legend: L: Recommendation for decision by legislative organ E: Recommendation for action by executive head

**Intended impact:** a: enhanced transparency and accountability b: dissemination of good/best practices c: enhanced coordination and cooperation d: strengthened coherence and harmonization e: enhanced control and compliance f: enhanced effectiveness g: significant financial savings h: enhanced efficiency i: other.

<sup>:</sup> Recommendation does not require action by this organization

<sup>\*</sup> As listed in ST/SGB/2015/3.