



"Independent system-wide inspection, evaluation and investigation"

ETHICS FUNCTION IN THE UNITED NATIONS SYSTEM

The review's purpose was:

- to provide recommendations to enhance the organizational set-up of the ethics functions, including independence and mandate;
- to address the identified shortcomings and to achieve greater system-wide coherence and cooperation in the area of ethics.



What the JIU found

Situation as of 2020: Since 2010, the function, including its independence, has evolved considerably, (i) with new Ethics Offices created, (ii) the mandates of both new and (iii) existing functions reinforced, and (iv) new and better criteria for their independence having emerged. The ethics function has evolved in many organizations to assume a central role in fostering ethical conduct and integrity through, inter alia, related training efforts, enhancing the protection of whistleblowers against retaliation, and the provision of governing bodies with key information and trends related to organizational ethics and integrity.

Assessment: Despite all the progress made, the review identified a number of persisting shortcomings of the present ethics arrangements of UN system organizations. The task of further strengthening the ethics function in order to adequately ensure the expected levels of accountability and integrity across the UN system is thus still an ongoing challenge.

1. Establishment of the ethics function: Good progress made with all except five UN system organizations having established a dedicated ethics function compared to only 9 in 2010 while deficiencies were identified with regard to dual-function arrangements and outsourced ethics functions.

Arrangements of Ethics function since 2010



Dual-functioning roles are not independent due to inherent conflict of interests. Outsourcing to the private sector is not ideal, given its limited knowledge and expertise in the field of UN ethics.

2. Organizational set-up of the ethics function and arrangements regarding the position of the head of ethics: A clear need identified for further improvement with regards to openness and transparency in selection and recruitment.

Transparency of the process is still unsatisfactory in most organizations reviewed. Recruitment practices vary but are mostly open to outside candidates who bring new skills and professional experience and thus provide new input and know-how. Currently, only four audit and oversight committees of UN system organizations have a formal role in these processes.

3. Mandate, terms of reference and resources of the ethics function: A few organizations have not yet introduced terms of reference for their Ethics Offices and the level of resources is a matter of concern.

Most organizations conform to the JIU standards suggested in 2010. Some ethics functions assume additional and/or new responsibilities (e.g., sexual exploitation and abuse) which are not always set out in their respective mandates. Shared functions and similarly outsourced functions need a level of resources adequate to fulfil their mandated responsibilities. Staffing levels are generally still too low. There are no established benchmarks or standards in place for operational budgets. Feedback from the ethics functions suggest a high level of concern about inadequate resourcing. JIU reminds legislative organs and governing bodies and executive heads that an adequate level of resources for the ethics function (both human and financial) is a prerequisite for achieving the expected levels of integrity and accountability in an organization.

4. Independence of the ethics function: Serious shortcomings identified with regard to the independence of some ethics functions.

Thirteen organizations, including the UN Ethics Office, had not yet implemented the respective 2010 standards on independence. The approval of the UN General Assembly of the Secretary-General's proposals to strengthen the independence of the UN Ethics Office is still lacking. Only little progress made since 2010 regarding term limits for the heads of ethics in many organizations. Not all foresee term limits and post-employment restrictions for this position.

Significant deficiency found in the application of term limits in the form of splitting the term of office into several consecutive contracts, which seriously hamper the independence of the heads of the ethics function. This serious lacuna was identified in most of the UN funds and programmes. In contrast, all specialized agencies except FAO provide their heads of ethics with a contract for a full term of office after the probationary period.

Many of the heads of ethics still do not have governing body access. Some executive heads adopt the ethics function's annual report as their own, while four organizations do not present annual ethics reports to their governing bodies at all. Public disclosure of the annual ethics report is an issue in six organizations.

Provisions for ethics in the TOR of oversight committees are instrumental for strengthening the independence of the ethics function. Those audit and oversight committees who do not cover the ethics function yet should revise their TOR by 2023.

5. The threefold role of ethics: standard-setting, training, and advice and guidance: Overall, a high degree of compliance with the 2010 JIU standards, with almost all organizations although attendance and compliance rates of the mandatory training courses on ethics are still far too low and uneven in many organizations.

The Policymaking role of the ethics function is still not well-defined. Regarding periodic staff surveys on integrity awareness, only two organizations conduct surveys that include ethics-specific questions. Codes of conduct are considered the most important vehicles to communicate to staff key standards of acceptable and prohibited behaviour. The review identified 14 of 23 organizations making use of a specific code of conduct or code of ethics. Three specialized agencies have not yet developed a mandatory ethics course. There is increasing demand for ethics advice and guidance services. The efforts made to ensure personal contact by the Ethics Office with staff away from headquarters are still generally insufficient.

6. Whistle-blower protection policy: The overall degree of compliance with the 2010 JIU standards is high.

The 2018 JIU whistle-blower report has prompted a number of related policy revisions. However, the process is slower in specialized agencies. Progress in creating standard operating procedures for retaliation case management is still disappointing.

7. Financial disclosure and declaration of interest policy and programmes: Despite a quasi-general acceptance of the lead role of the ethics function in this area, there is still an uneven and unsatisfactory level of compliance with the related 2010 JIU standards.

There is non-compliance with JIU standards concerning the filing, review and verification of statements from the staff members of the Ethics Offices themselves. The proper verification of financial disclosure statements is still unsatisfactory. The evaluation of the effectiveness and efficiency of the programmes is still pending.

8. Commitment to the ethics function by executive heads:

There is a good degree of compliance with all 2010 JIU standards by the UN Secretariat, its funds and programmes and other bodies and entities, with a mixed picture regarding the specialized agencies and IAEA.

Only a minority of ethics heads are permitted to attend senior management meetings. Most organizations have introduced annual “town hall” meetings including ethics topics. Not all executive heads file a financial disclosure statement, which should be reviewed in the same manner as for all other staff members and which should voluntarily be made public. The ethics function should not conduct investigations.

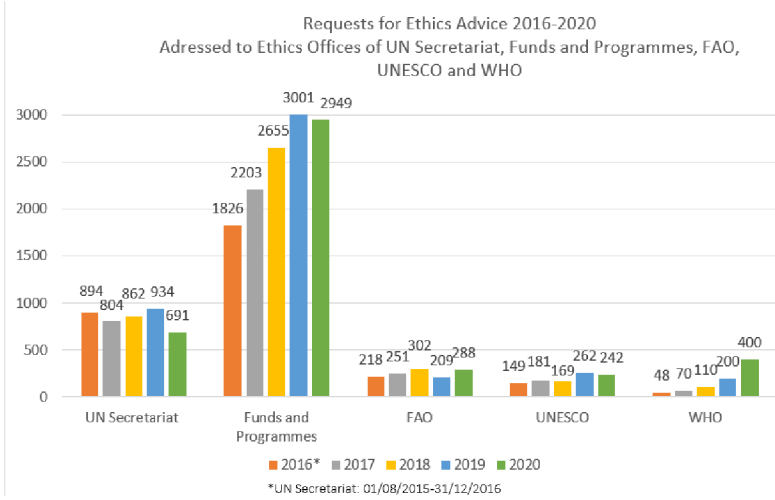
9. Inter-agency cooperation and system coherence: While most ethics functions have integrated inter-agency cooperation into their workplan, there are still gaps and shortcomings in mainstreaming such cooperation.

Inter-agency cooperation and promoting exchange among organizations is crucial for having equally independent and professional ethics functions. Without it, an adequate degree of coherence in ethics across the system cannot be achieved. The newly created CEB affinity group of ethics professionals is of great potential importance for creating more coherence across the entire UN system and is thus expected to fill an important identified gap in this respect.

10. New demands and challenges: Integrity increasingly viewed as going beyond individual behaviour (organizational and institutional integrity).

Tone at the top is essential for shaping organizational integrity and culture. New demands and challenges create ethical dilemmas resulting from teleworking, use of artificial intelligence, social media, public-private partnerships, new sources of funding and contractual arrangements.

The below graphic reflects the overall increase in demand for ethics advice over the years in all types of participating organizations (at UN Secretariat, Funds and Programmes, as well as in selected specialized agencies for the purpose of representation). The lower number of requests in the specialized agencies is, however, related to the lower number of personnel compared to the UN Secretariat and Funds and Programmes.



Approach & Methodology

In accordance with the JIU internal norms and standards, guidelines and working procedures, the review was conducted using a blend of qualitative and quantitative data collection methods, including:



Desk review of relevant documents and literature, such as ethics-related policies and procedures and external assessments of ethics functions, as well as an analysis of previous JIU recommendations and standards



One corporate questionnaire to all JIU POs



140 individuals interviewed from POs and other entities and committees



IFAD, IOM, CTBTO, OECD consulted for **comparative purposes**



An internal peer review procedure from all JIU Inspectors before finalization of the report



A consultation with JIU POs for **review of factual errors and provision of comments**



What the JIU recommends

The JIU makes four recommendations, of which three are addressed to the executive heads and one to the legislative organs and governing bodies of the UN system organizations for action. These are complemented by 31 informal recommendations.

The executive heads of the United Nations system organizations are called on to:

1

Ensure that the contracts of newly appointed heads of Ethics Offices are issued for a full term.

2

Ensure that periodic refresher courses in ethics are introduced as mandatory for all staff and non-staff of their respective organization, irrespective of seniority, category and level, every three years, from 2023 onwards.

3

Evaluate the effectiveness and efficiency, including "value for money", of their financial disclosure and declaration of interest programmes and, on the basis of the findings, propose changes to the relevant policies where appropriate, supported by the ethics functions of their respective organizations, at the latest by 2025.

The legislative/governing bodies of the United Nations system organizations are called on to:

4

Request that organizations update the TORs of their respective audit and oversight committees by the end of 2023 to include, where necessary, provisions for ethics, and ethics as a desirable area of expertise for new committee members.

Selected informal recommendations

1) Establishment of the ethics function



- A shared post or the outsourcing to the ethics office of another UN system organization are the better option in the event that the establishment of a dedicated post of Ethics Officer is not possible.
- Any dual-function arrangement for the ethics function should be discontinued.

2) Organizational set-up of the ethics function and arrangements regarding the position of the head of ethics

- Need to implement the related formal recommendations 4 and 5 contained in the 2010 JIU report regarding the transparency of the recruitment and selection process.
- A role is needed for the audit and oversight committees in the selection, recruitment and dismissal of the head of the ethics function to enhance transparency and independence of the process.



3) Mandate, terms of reference and resources of the ethics function

- Clear terms of reference (TOR) should be established. When revising existing TOR, clarification needed with regard to additional and/or new responsibilities assumed by the ethics function.
- Legislative organs and governing bodies need to ensure that the ethics functions are adequately resourced, including through a dedicated budget line.



4) Independence of the ethics function

- Governing bodies and executive heads of the organizations concerned should expedite the implementation of all 2010 JIU standards pertaining to the independence of the ethics function.
- The General Assembly should approve UNSG proposals in order to strengthen the independence of the UN Ethics Office, thus complying with JIU recommendations and standards as well as established good practices.
- Formal recommendation 6 made in the 2010 JIU report reiterated: the executive heads of the organizations concerned should put in place term limits and post-employment restrictions for the heads of their ethics functions, while, in the interim, introducing a cooling-off period after the end of their term to minimize the risk of conflict-of-interest situations.
- Adherence to a direct reporting line to the top official for all aspects of the head of ethics' work, including the performance appraisal.
- Extension of the mandate of the UN Secretariat's Independent Audit Advisory Committee to include ethics oversight.
- Executive heads of the organizations concerned should submit the annual reports of their ethics functions to the respective governing bodies as such and in an unchanged format and, if deemed necessary, add their comments thereon in a separate document.
- Organizations concerned should make public their annual ethics activity reports at the earliest in order to mitigate any reputational risk resulting from this lacuna.



5) The threefold role of ethics: standard-setting, training, and advice and guidance

- Executive heads of the organizations who have not yet done so should devise codes of conduct or ethics or equivalent guidance publications to be approved by their governing bodies.
- Role of the ethics function in standard-setting and policy support and advice on issues within its remit to be clarified in its terms of reference.
- Executive heads of the UN system organizations concerned should ensure that staff surveys on ethics and integrity awareness are conducted across their respective organizations at least biennially.
- Close monitoring of and follow-up on staff and non-staff attendance essential for achieving full compliance with completion targets for mandatory training as set by the organizations.
- Ethics offices should be enabled to reinforce their services in field locations by providing them with the necessary resources to arrange for periodic visits to duty stations away from headquarters when deemed necessary.

6) Whistle-blower protection policy



Full and prompt implementation of the recommendations made in the 2018 JIU report on whistleblower protection policies.



7) Commitment to the ethics function by executive heads

- Organizations should as soon as possible create the legal basis for the participation of heads of ethics in senior management group meetings.
- Executive heads should include a specific agenda item on ethics when holding their annual “town hall” meetings.
- Executive heads should file a financial disclosure statement, which should be reviewed in the same manner as for all other staff members and which should voluntarily be made public.
- Mandate of ethics offices for investigations to be discontinued except those that are related to the review of complaints of retaliation under the whistle-blower protection policies.

8) Inter-agency cooperation and system coherence

- Leveraging coherence through the Ethics CEB affinity group created within the Ethics Network of Multilateral Organizations in 2019.
- Heads of ethics functions should apply lessons learned and good practices from other professional oversight affiliations under the CEB roof.



9) New demands and challenges

- Integration of ethical risks into the overall enterprise risk management framework.
- Policy and standard setting mandate of the ethics function to be clarified.



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