

End of Assignment Report

Inga-Britt Ahlenius

Under-Secretary-General for Oversight Services

After seven years with the United Nations, of which I served five as the Under-Secretary-General for Internal Oversight Services (USG/OIOS), I now leave the United Nations, proud of the opportunity given to me to serve this precious Organization in important positions. Being Swedish adds to that feeling of pride. Dag Hammarskjöld saw working in the United Nations – whether as its Secretary-General or as a common staff member - as serving the world community, which is a privilege.

I have great appreciation for the dedicated and professional staff of OIOS. I leave with the rewards of having worked with talented people from all over the world. To the very last day I have looked around me in a conference room and noted with wonder the diversity at the United Nations: for example, that in the room we were fifteen people from twelve different countries. What a privilege! In OIOS alone, we are some 70 different nationalities.

I am proud to report to you the achievements by OIOS during the last five years, bringing the OIOS to be “a world class oversight body respected and trusted by stakeholders” in accordance with OIOS agreed Vision Statement. The visible sign of our commitment to quality in our work is the manuals for the three disciplines - audit, evaluation, investigation - published on our website in the interest of transparency. The publication also serves the purpose of making known to everybody our commitments to process and quality in our work. Please find attached a separate more detailed report on our achievements and a list of the different documents that we have submitted to you to advise you in accordance with OIOS mandate. (Attach 1 and 2)

Whether the world is a better place now than five years ago and whether the United Nations has contributed in a positive way is finally for others to assess. I would restrict myself to discussing and reflecting on the question:

Is the United Nations Secretariat now on the right path, more transparent, more accountable?

The Secretary-General's Management Universe

The World Wide Condominium

The United Nations is a unique organization. As such it attracts young, talented people from all over the world, because it is a great organization in. Our mission is uniquely critical to world peace and security, and our Charter is the greatest cause to commit to. The United Nations' mandate leads us to operate under exceptional

circumstances - civil war, natural catastrophes, failed crops and starvation, civil unrest. Our operational environment also implies lack of basic infrastructure, including communication, housing and other basic facilities. Risk is in the DNA of our operations, and the Secretariat must at all times be prepared to deliver and render account of its performance.

The United Nations is as indispensable as it is imperfect – it is complex, risk exposed with a challenging governance structure. Notwithstanding, to keep its legitimacy and to efficiently contribute to the programmatic aims of the Organization it must strive for and be seen striving for its own reform and increased effectiveness. If it fails, it may not only lose its legitimacy and the respect from member States but finally the programmatic aims of the Organization may be jeopardized: the United Nations must be seen as a credible and strong partner, to make a difference through its existence and contributions.

..... requires exceptionally strong leadership

The Secretariat is an organization with a demanding mandate. It is also an international bureaucracy with its special and inherent shortcomings: rigidities and rules tend to substitute for management and leadership. To bring about change is a challenge. National administrations are under pressure from different balancing powers to reform and progress – independent judiciary and oversight bodies, citizens electing their parliaments, opposition parties, media - as forces to modernize, reform and move forward. Such balancing powers are lacking in an international bureaucracy and must be compensated by professional and strong leadership to ensure progress and reform. Weak leadership exposes the Secretariat to the risk of finally reforming through crises or external shocks.

On top of its demanding mandate, the United Nations has an extremely complex governance structure. It is a value driven organization with 192 members on the Governing Board, the General Assembly. It is not a simple profit driven company where the bottom-line is the answer to its performance but a complex service provider in world wide operations and where performance is not easily measured.

It has been called “the world’s most impossible job”. It is not - but it is certainly one of the most difficult ones, a Herculean management task. The Secretary-General must be prepared to engage in issues where he believes he can make a difference, exercising that moral authority that the Charter gives him.

The position also takes unusual commitment, persistence, perseverance, patience - because finally all 192 Member States will have to be on board in the way forward. I could add a fourth P-word – Passion. To lead the Organization, you have to love it; you have to have passion for it. Exceptional leadership is required - strong, charismatic, enlightened leadership.

No Member State, no one expects the Secretary-General or the United Nations to solve all the problems in the world. What is expected from the Secretary-General and the United Nations is that the Organization has such a standing that it is seen as and really constitutes a relevant and even a necessary partner in solving complex issues in the world, issues that otherwise would not be addressed. The organization is established to serve the world community and must be properly organized and led in order to be that relevant partner for the Member States.

The Secretary-General's dual responsibilities are complementary

The Secretary-General is foremost the Chief Administrative Officer (CAO), in charge of the Secretariat. This is in fact the only role explicitly mentioned in the Charter (Article 97 of the United Nations Charter). In this capacity - the internal management role - he serves and is accountable to the General Assembly. (You are interestingly enough also quoted from your period as the Chief of Staff to the then President of the GA, saying that “The Secretariat belongs to us – the Member States - and we have hired the Secretary-General to run it!”)

But the Secretary-General has also an important right of initiative vis-à-vis the Security Council (Article 99 of the Charter) - the external and more political role:

“The Secretary-General may bring to the attention of the Security Council any matter which in his opinion may threaten the maintenance of international peace and security”

These two roles - the external and internal - are not necessarily conflicting. Rather they may be seen as complementary. There is a balance to strike between them in the sense that a well managed secretariat may be seen as a prerequisite for Member States' confidence and willingness to see the United Nations as a strong and reliable partner, an institution that may make a difference while addressing problems in the world.

As to the external and more political role vis-à-vis the Security Council, the General Assembly may have different views on how active and proactive they expect the Secretary-General to be. There is an inbuilt conflict in the sense that the big powers, read the Permanent Members of the Security Council, the P5, view the United Nations and the Secretary-General as a force to potentially reduce their influence on world affairs, while other and small countries would rather view the United Nations and its Secretary-General as a potential increase of their possible influence. It is certainly a challenge for the Secretary-General to find his way through these potentially conflicting interests and to make a positive difference in the world - championing the core objectives of the United Nations: to maintain peace and security, to fight for human rights and for social and economic progress.

The Secretary-General has a balance to strike: to find the right position between being seen as "too strong" and being "weak" to be just right to maintain and uphold the relevance of the Organization. A Secretary-General that is seen as "too strong" will certainly receive signals by Member States that will bring him back to "balance". A situation with a weak Secretary-General is more difficult, more subtle. It will take time to see that the balance is lost. There will probably be no early signals from Member States who might not see any "problem", but rather see the situation as comfortable, the Secretary-General being seen as "harmless", pragmatically accommodating and therefore seen as convenient to Member States.

It will take time to see the harm caused by the weak Secretary-General because the process of decay and weakening of the Organization and the Secretariat is a stealthy process: senior positions politicized, a culture that will filter down in the organization, compromising the merit based recruitment, undermining excellence and lowering the moral; the health and capacity of the Secretariat will be ignored: stress on structured reforms will cease, resistance will be weak to initiate reform. Such a process may go relatively fast - a couple of years only - and is difficult to restore. The final result is the weakening of the standing of the organization to the effect that it loses its capacity and its relevance to constitute that necessary partner for Member States. Therefore: maybe even more concerning for Member States - and certainly for the world community - than a strong Secretary-General is a weak Secretary-General.

Boutros Boutros-Ghali established the intellectual leadership of the Secretariat. Kofi Annan reconfirmed the role of the Secretary-General as both the "norm-entrepreneur" of the world and his role as the pre-eminent diplomat and chief negotiator.

Dag Hammarskjöld was the one who defined the role of the Secretary-General and he pronounced himself often on the two roles. He maintained that "the Charter gives the Secretary-General an explicit political role." His active and successful intervention in international crises was the demonstration of this conviction. But his activist interpretation in this respect also brought him into conflict with the super-powers. I have often quoted him:

"Never for the sake of peace and quiet deny your own experience or convictions."

He regarded himself above all as an international civil servant and the leader of the Secretariat - the Chief Administrative Officer (CAO). Having served as the Under-Secretary in the Swedish Ministry of Finance, it was not surprising that he like no-one else after him ventured into the process of reforming and restructuring the Secretariat. He reportedly "supervised an in-depth study, chaired many of the working groups set up on various administrative, personnel and financial issues, and wrote numerous papers spelling out his analysis of the problems and potential solutions." As the CAO he was not only reforming, reorganizing, restructuring, he was also relentlessly stressing the role and importance of the Secretariat and its staff, the importance of a truly international Secretariat with integrity and faithfulness to the Charter. Metaphorically speaking he was

on the scene daily conveying this message – in his annual reports, in speeches on Staff Days, in external seminars and interventions. His moral authority gave the moral authority to his office, the United Nations.

In his last speech to staff in September 1961, a few days before his death, he re-affirmed his conviction that:

“If the Secretariat is regarded as truly international, and its individual members as owing no allegiance to any national government, then the Secretariat may develop as an instrument for the preservation of peace and security of increasing significance and responsibilities.”

To lead the Secretariat

Your instruments – your Executive Office (EO) and OIOS

Boutros Boutros-Ghali, originally a professor of law at Cairo University, is described to have exercised an “intellectual leadership”. As the CAO his remaining cy is the establishment of the Office of Internal Oversight Serv).

The Office was established with the specific purpose to assist the Secretary-General in his oversight responsibilities of the secretariat. It was established as “operationally independent” and in an Administrative Instruction related to the founding resolution, Boutros-Ghali ensured that the operational independence of the office was logically followed up by delegating to the USG/OIOS the authority to appoint staff within OIOS with an authority “similar to those delegated by the Secretary-General to the heads of programmes, funds and subsidiary organs enjoying special status in these matters”.

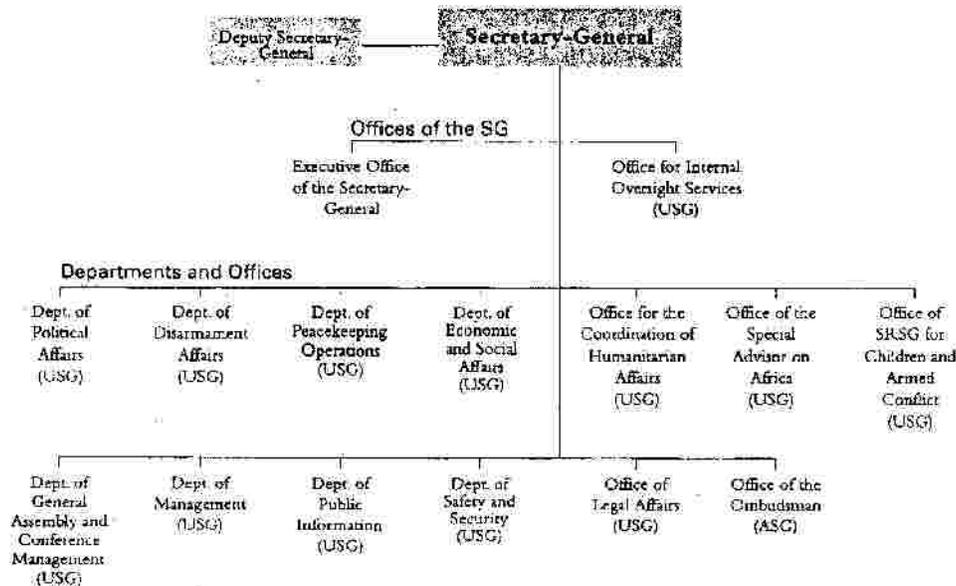
Thereby, he had ensured himself - or at least his successors - a strong capacity and partner to assist him in the challenging task of being the CAO, to lead the Secretariat.

OIOS is specifically established to assist the Secretary-General:

“..in fulfilling his internal oversight responsibilities in respect of the resources and staff of the organization....” (General Assembly resolution 48/218B)

The structure to support the Secretary-General as CAO to discharge his/her responsibilities is there: the Executive Office of the Secretary-General and OIOS.

This is further illustrated in the Organizational Chart below:



The Secretariat in 2006, reflecting the rationalization effected by Boutros-Ghali and additional changes by Annan

Source: *The UN Secretariat - A Brief History (1945-2006)* by Thant Myint-U and Amy Scott

It is OIOS' responsibility to keep the Secretary-General informed on what is going on in the Organization and to give him an independent perspective as part of the office's mandated task to assist him in his oversight responsibilities of the Secretariat. In our first meeting upon your arrival at the United Nations, you declared that you would be available for OIOS 24/7. But, Mr. Secretary-General, should it not be the other way around? That you should ask for OIOS availability 24/7 to support you in your endeavours and to assist you in discharging your responsibilities. To keep you informed is one thing, but the real thing for the CAO is for him to feel that OIOS is a necessary resource for him to discharge his responsibility. Therefore, you should request OIOS to be available to you 24/7!

The General Assembly established the OIOS as "operationally independent", a core element for the legitimacy of our work. Without such independence from you yourself and the heads of department, OIOS' work and our reports would not have any legitimacy,

no trust from stakeholders. Who would take seriously any reporting from us that had been produced under your influence or that of other USGs? OIOS is internal to the organization but not internal to its management. Its operational independence is in the interest of the Organization and therefore primarily also in your interest.

To emphasize the particular status of OIOS the resolution also lays down particular rules for the appointment and dismissal of the USG/OIOS:

“The Under-Secretary-General for Internal Oversight Services shall be appointed by the Secretary-General, following consultations with Member States, and approved by the General Assembly.”..... The Under-Secretary-General for Internal Oversight Services shall serve for one fixed term of five years without possibility of renewal”
“The Under-Secretary-General for Internal oversight Services may be removed by the Secretary only for cause and with the approval of the General Assembly.”

Question mark for the capacity of your EO to support you in your CAO role

Already early in 2007, OIOS took the initiative to assist you in establishing a proper structure and proper procedures in your EO. This review never came about as will be explained later on in my report.

However, again with the objective of supporting you in accordance with our mandate, OIOS has carried out a Risk Assessment of your EO and we are at present preparing our report to you. OIOS has carried out such risk assessments all through the Secretariat, in close cooperation with Department Heads, as such an exercise is recognized by management to be extremely relevant to their operations and thus for the discharge of their responsibility.

A Risk Assessment is simply a process that aims to identify in a structured way the risks - external or internal - that may prevent an Organization/entity from meeting its objectives, if these risks are not properly managed. The EO/SG is the responsible entity for assisting the SG in establishing policy and exercising executive action in the Organization, besides a number of other critical tasks. As such, the EO/SG should identify themselves through a structured process the risks facing the Organization in order to be prepared to manage them. OIOS risk assessment may be seen as an impetus and assistance for the EO/SG to develop their structured risk register and addressable challenges to the implementation of strategies. Our risk assessment of your EO has covered desk reviews, workshops and interviews with some key staff.

However, you yourself, the DSG, the Chef de Cabinet and the Deputy Chef de Cabinet have not been available for any interview. The Risk assessment is carried out in your interest and we had expected that you and your closest staff would have taken interest in and contributed to its conclusions. However, in spite of a number of reminders we have

not been able to access you and your closest staff and we will therefore conclude our risk assessment - short of your crucial contribution - and submit it to you for a follow-up discussion. Finally, our risk assessment will form the basis for our audit work plan covering the EO/SG. These audits will be included as part of OIOS work plan for 2011 for examination by the IAAC in accordance with their mandate.

I regret this lack of interest from your side in contributing to this process established in your interest and in the interest of the Organization

Your commitments when you took office

Your motto as the CAO was above all: increased transparency, accountability and reform of the Secretariat. In this respect you even talked about change of culture, change of mindset. You also stressed mobility, multifunctional staff:

In taking your oath as the Secretary-General you said:

“With the United Nations taking on a more and more global role, United Nations staff members too, should be able to be more mobile and multifunctional”.

And also:

“One of my core tasks will be to breathe new life and inject renewed confidence into the sometimes weary Secretariat... Member States need a dynamic and courageous Secretariat, not one that is passive and risk-averse....”

In fact, you launched an extremely ambitious agenda for reform of the Secretariat.

I will add something you mentioned particularly after a year of experience, namely the need to reform the budget process.

In your address in an informal meeting with the General Assembly on your Agenda 2010 in January this year, three years later, you mentioned the progress achieved and outlined again your strategic vision.

“In the last years, we have made important progress in realigning the United Nations with new global realities. But more has to be done. Our change management initiatives must continue. As an Organization, we have to commit to continuously improve the way we are doing business. Changing with changing times and evolving needs has to become a way of life at the United Nations. We must rejuvenate our management and develop the emerging leaders of the future more systematically and more strategically. We must continue to build a flexible workforce for the twenty-first century. The Organization’s increasingly complex

mandates require a multi-skilled and versatile workforce that is able to function across disciplines with a variety of partners. We must invest in our staff and strengthen our capacity for career management and development in partnership with our staff. Building our human capital is a discipline that should be practiced and owned by everyone in the Organization. We must make better use of modern technologies like ICT [information and communications technology] and invest adequate resources to implement our global ICT strategy. We need greater flexibility in resource management”.

What progress has been made?

To be the CAO is to assume the responsibility for the over-all culture in the Organization as well as for its operations, including the responsibility for championing improvement and reform of the Secretariat – in its daily operations as well as to truly structural reforms. This translates into upholding the pressure on the organization to go forward in methods and processes, to enhance structures to ensure efficient delivery of mandates. There is a tendency in the Secretariat to call this on-going change process “reforms”. Is it to justify additional resources requests to the GA? Clearly, the new Justice System is a reform, the establishment of OIOS was a reform, and so was the establishment of IAAC. But most of what is also named “reform” is the inherent responsibility of the program managers – and ultimately yours - to adjust, develop and improve on a continuous basis the methods of work, the processes and the tools. It is hard daily work requiring interest, commitment and perseverance.

In the formal session of the Fifth Committee in March this year where the Secretary-General’s report on Accountability Framework was introduced (A/64/640), one Member State representative was not pleased as to the situation in the Secretariat:

“despite recent progress on this issue (the accountability framework), I would like to express our concern that the overall culture in the Secretariat has not shown much improvement in terms of accountability. My delegation would like to emphasize the importance of a fundamental change in the way of working and thinking among the staff... In some cases, these issues illustrate the Secretariat’s lack of ownership and responsibility...” He finally also added a suggestion as to a new performance system that staff at all levels who do not meet the criteria should be forced to leave the Organization regardless of their contractual type. “The organization should no longer be a safety net for those who cannot show competency”

This was a surprisingly strong critical assessment of the Secretariat by a Member State. (It was the Korean delegation).

Your early commitment addressed ambitions and commitments *to achieve transparency, to increase accountability, to ensure multifunctional staff through mobility, to reform the*

Secretariat. Later when you had gained more experience you also addressed your frustration over *the budget process*.

In the following I will reflect further on these your commitments and ambitions. I will do it under four main headings: *Transparency, Accountability, Oversight and Management of Reforms*

TRANSPARENCY

Your stated ambitions

There is no concept that you have stressed more than transparency – most often in connection with “accountability”. “Transparency and accountability” is the red thread in all your interventions and speeches from the speech on taking the oath of office and recurrently thereafter in most of your messages. You have made Transparency a significant part of your brand. In an intervention at the CEB meeting in April 2008, you are quoted saying:

”As you know, the issue of transparency has been on my agenda from the day I took office as Secretary-General. I can see no better way for an Organization such as the United Nations to be accountable to its Member States than to be totally transparent in the way the Organization is run.”

In your message of 3 May this year on World Press Freedom Day you addressed this year's theme which was Freedom of Information: the right to know - and you are quoted saying:

“I welcome the global trend towards new laws which recognize the universal right to publicly held information. Unfortunately, these new laws do not always translate into action. Requests for official information are often refused, or delayed, sometimes for years. At times, poor information management is to blame. But all too often, this happens because of a culture of secrecy and a lack of accountability”

The existing culture is one of secrecy

The culture of the Organization is traditionally one of secrecy. Such secretiveness serves us poorly, it only serves to feed rumours, gossip and finally distrust within the organization and between the organization and its external stakeholders, including the media. In the information vacuum created by secretiveness, the public and the media are very much left to information from informal sources, well or ill intentioned “leaks”. Regrettably these leaks are in the Secretariat rather seen as an argument to further restrict information and to investigate the leaks, than as an argument for increased transparency. Your own EO is rather described to be “consumed by leaks”.

Opaque practices feed distrust – transparency on the contrary enhances trust. I discussed some time ago with USG Akasaka the ambition of achieving increased public access to information in the United Nations, as DPI certainly must play an important role in such a reform. Mr. Akasaka informed me that the Japanese administration had carried through such a reform now some time ago. He also confirmed that in the short term a lot of “unpleasant” news surfaced and a number of scandals had to be dealt with. However, once the immediate effects were dealt with, the administration got used to transparency and was certainly forced to improve ethical behavior considering the fact that the citizen/the taxpayer was watching. In the long run transparency is the way – and I would say the only way - to ensure a high quality and an accountable United Nations.

Transparency serves in the long run to improve the organization and to establish the culture of responsibility and accountability that you say you envisage.

The General Assembly’s Transparency Resolution – a revolution in transparency.

The General Assembly in its Resolution 59/272 (The Transparency Resolution) made a break-through in increasing transparency in the Organization when deciding that OIOS reports should be made available to member states. The resolution obliges the Secretary-General to make OIOS reports available upon request and to list all reports issued with a short summary in OIOS Annual Report. The Resolution then authorizes the USG/OIOS to redact reports - e.g. in the interest of due-process rights and to withhold reports in its entirety “in exceptional circumstances”.

Depending on the policy or national legislation in Member States such reports may be found in the public domain, regarded as public documents.

I believe it is fair to say that - with a few exceptions – the Secretariat has not been enthusiastic over the Transparency Resolution and the consequence that OIOS reports may be publicly available. This limited widening of transparency has been at times even under sharp attack. Efforts have been made to contain the effects of the Transparency Resolution suggesting general internal guidelines on availability of United Nations documents including the guidelines for the release of OIOS reports. At times, the issue of transparency and the “negative consequences” for the Organization following the Transparency Resolution has been directly raised in meetings on USG level and sharp criticism even voiced. In all discussions in the Secretariat I have consistently and emphatically defended the principle of transparency as manifested in the Transparency Resolution and with little support, I must say, from others. Further, I have in a report to the General Assembly stated as OIOS position that OIOS reports in our opinion should be made publicly available.

The United Nations is a publicly funded organization: it should provide its stakeholders - the Member States, and ultimately the citizens and taxpayers of the world - access to OIOS reports. In such discussions I suggested that, rather than devoting attention to

concerns about the Transparency Resolution, efforts should be made to implement the request by the General Assembly that the Secretariat implement a policy on public access to documentation. The availability of OIOS reports is only a small part of the wider question of increasing transparency of the Organization by providing public access to documentation.

The General Assembly expects increased transparency

A policy on general public access to information was proposed in the “Investing in the United Nations” report of 2006 (A/60/846/Add.4). Such a policy on access to information is in line with many national and international “right to know” practices. The General Assembly, in its resolution 60/283, acknowledged the proposed policy and requested the Secretary-General to provide more detailed information.

A draft report on an Access to Information Policy was shared within the Secretariat in August 2008. OIOS comments at the time were to point to the complexity of establishing such a policy and that it would require several years to implement. We advised the Secretariat to learn from experiences of Member States that were in the process of establishing increased access to information in their administration; we mentioned Chile and the UK. It seems that the project has come to a complete halt. As a matter of fact, nothing has changed as to transparency. The General Assembly is still awaiting the report from the Secretary-General on increased access to documentation, one very important part of transparency.

A new internal justice system was established a year ago including a professionalized and more transparent formal process for disputes that could not be solved informally. In course of such a process, you have been requested to submit certain documents to the Judge in the Dispute Tribunal pertaining also to a complaint in case of a promotion. The Secretariat, you, have declined to submit such documents referring to a fairly peculiar legal opinion asserting that your position was to be compared with that of a Head of State and that you consequently are not under obligation to comply with such a request.

In the Accountability Report ((A/64/640), there is a particular chapter on the appointment of senior managers with a fairly detailed report on this process and with your commitment to transparency and where you declare that the General Assembly has entrusted you ...

“...with the discretionary authority to appoint staff at the level of Under-Secretary-General and Assistant Secretary-General, as well as special envoys at all levels. I have exercised this authority voluntarily with great care to ensure transparency and maintain the institutional safeguards of the process, while protecting the privacy of the applicants.”

You are the CAO responsible for the Secretariat and its processes. It is true that the SG is formally not under the Staff Regulations but certainly under the jurisdiction of the Tribunal. You have committed yourself to transparency and repeatedly stressed that you will lead by example.

The request from the judge was an opportunity to demonstrate this your commitment to increased transparency. You did not take it.

The General Assembly in its Resolution on the Accountability Framework (Res 64/259) in this regard “..... requests the Joint Inspection Unit to submit a report on possible measures to further enhance transparency in the selection and appointment process of senior managers”

I see no visible effort to deliver on your stated commitment to increased transparency. Please find in the following some suggestions as to make progress in this important field.

A way to implement your commitments

In this context I have some concrete proposals. *To increase transparency in accordance with your stated commitments requires a process of real change, and, Mr. Secretary-General, you must yourself take the lead to make transparency materialize in accordance with your stated ambitions. If you do not act, the signal is simply that it is not important.*

I recommend that you urgently initiate the project and process to satisfy the request by the General Assembly – as well as your own stated ambitions – to increase transparency in the Organization in line with the proposals already presented in “Investing in the United Nations” report of 2006 (A/60/846/Add.4), now several years ago and as I referred to above.

My position is that OIOS reports should be made publicly available. I have openly stated this and also formally suggested it to the General Assembly in one of OIOS Annual Reports.

The United Nations is a public institution, financed by the citizens of the Member States; our reports on how the United Nations is performing its operations should therefore be made publicly available.

To realize your stated ambition to increase transparency in the Organization, I recommend that you take the initiative yourself to post OIOS reports on the United Nations website.

Finally, we have questions from United Nations staff on the availability of OIOS reports to staff. I responded some time ago to a question to this effect on the Department of Management’s Q&A website.

The Transparency Resolution requests the Secretary-General to make OIOS reports available to Member States upon request. It is to be noted that the General Assembly authorizes the USG/OIOS to redact or to withhold reports – no such authority is given to the Secretary-General. Therefore OIOS submits its report to the Secretary-General/the

programme manager (and makes them available to Member States upon request). After we have submitted the reports to the programme managers, our reports are their property. It is thus for the programme manager to decide on a wider distribution. Only rarely does OIOS regard audit reports as confidential. During my time I can only recall one – an audit report on a peacekeeping mission where there were serious weaknesses in security. While an audit report may be embarrassing for the programme manager, that does not constitute a reason to keep the report confidential.

My position is that OIOS audit and evaluation reports of course should be made available to United Nations staff.

As a minor start of increased transparency in the Organization, I recommend you to encourage or even instruct programme managers to make OIOS audit and evaluation reports available to staff.

All such initiatives would be in line with your pronouncement at the CEB meeting that I mentioned earlier and your pronouncement on World Press Freedom Day.

ACCOUNTABILITY

Capsized accountability reports

Transparency is a prerequisite for any culture of accountability. However, the concept of accountability must also be addressed and understood. The Organization lacks an Accountability Framework, including its most important part - an Internal Control Framework. An Accountability Framework is nothing complicated. However it requires some basics, such as clear definitions of basic concepts, clear delegation of authority, clarification of the role of managers, and clarification of the role of oversight bodies. *To establish an Accountability Framework is a process, a process that you yourself, Mr. Secretary-General, must take ownership of.*

Instead, at present the concept of an Accountability Framework is treated in the Secretariat as merely producing a *report* for the General Assembly and something that may be handled by the Department of Management (DM) as a technical/administrative issue only. In fact, however, it is a major change management *process*.

Three reports on Accountability Framework have been submitted to the General Assembly for their deliberation and approval. Two of them have more or less been bluntly dismissed. The third one, “Towards an accountability system in the United Nations Secretariat” that included proposals for an internal control framework, including risk management, has been subject to decision by the General Assembly. (A/64/640, Res 64/259)

The General Assembly requests action and a way forward

The resolution is encouraging in the sense that the General Assembly does not request the Secretary-General to submit a new report but instead requests the Secretary-General to set on working and starting the *process* of reform, in particular when it comes to risk management. Risk management is a core function in an internal control framework and of particular importance to the United Nations, given its significant risk exposure. How can the Organization establish its strategies without having at the same time a structured awareness of its risks and be prepared to manage them?

The resolution also offers a definition of the concept of accountability. The resolution rejects – based on the report by the ACABQ – a separate entity/function in Department of Management for risk management. The resolution reads as follows:

“30. Emphasizes that the risk management should be dynamic, is **the inherent responsibility of staff at all levels in the Secretariat, and that each department is accountable for the risk assessment in the delivery of their respective mandates**; (emphasis added)

31. Regrets the absence of an effective and integrated internal control framework which is a serious gap in the existing accountability system, and **requests the Secretary-General to work on enhancing the current capabilities in the Secretariat responsible for risk assessment, mitigation and internal control, on the basis of the recommendations in paragraphs 49 and 50....”**

The General Assembly does not appropriate new resources for this undertaking and rightly so in my opinion. Nor is this reform something that can be solved and handled by special resources in DM: establishing internal controls and risk management in the Organization is **the inherent responsibility of managers at all levels** and shall by definition not imply new resources; it is management’s responsibility to develop, adjust and modernize its daily operations in line with external demands and requirements. And it is finally your responsibility.

It is very concerning that the United Nations – this complex Organization – does not yet have an Accountability Framework, including an Internal Control Framework Mr. Secretary-General, the impetus for this process must come from you, and you will have to take the leadership of it, as you have the final responsibility.

Compacts between you and the USGs

The compact between you and senior management (USG compact) is a positive example of new thinking and a step towards more focus on result and accountability.

However, so far the performance targets are on one hand very much input-output oriented - to submit documents in time, to reduce vacancies, etc. Suggested performance

measures are on the other hand often written at such an aggregate level that they are difficult or even impossible to measure in practice.

Sometimes they are unfair in the sense that commitment and the control of the USGs – such as to increase the recruitment from un-represented or under-represented Member States or to increase the number of women in certain positions by a certain percentage. If there are no (qualified) applicants of these categories, there is no possibility for the USG to increase their numbers.

The Charter emphasizes that merit is the basis for recruitment, with due regard for equitable geographical representation. If stakeholders – the General Assembly and others - raise the question about gender or geographical representation, it is an easy way out to make reference to the USG compacts, where these issues are covered. However, the USGs will not be able to bring about any change - because they do not have control over the process. Other rules in the Organization are in fact effectively preventing them/us from fulfilling these commitments. To include such commitments is to draw the attention away from what is the true and underlying problem. To solve this issue requires increased and effective outreach measures from OHRM and the change of existing rules that give priority to internal staff. If this does not happen, such commitments in the USG compacts are only window dressing.

I have not signed these commitments in the USG compact – for obvious reasons, because it is beyond my ability and authority to fulfil them. But it did take me lengthy correspondence with OHRM at the time to explain my position. Finally the only argument brought by OHRM was that “the Secretary-General wants it”.

The tone is punitive rather than collegial

I find the overall tone in describing the USG compact somewhat disturbing. In the Accountability Report to the General Assembly the presentation is that of a control instrument. It reflects a lack of commitment on your part to lead and manage the Secretariat and to do it with your senior colleagues. The college of USGs appears to be a group to instruct and monitor, not your close advisers. An action plan is not foreseen to be submitted to you but to the Management Performance Board. The tone in the Accountability Report is extremely commanding, even punitive and seems to be a relic of the former Accountability Panel:

“30. At the end of each assessment cycle, the Management Performance Board assesses each senior manager’s performance against the targets set in the compact and the human resources action plan and advises the Secretary-General of its findings. Based on these findings, the Secretary-General requests senior managers to submit a detailed action plan to the Board to address weaknesses identified in the performance assessments...”

31. The compacts are kept on record in the official status files of senior managers. **An assessment identifying areas of inadequate performance could trigger an administrative action by the Secretary-General against a senior manager** (Emphasis added). In addition, the compacts, as well as the individual performance assessments are published on the Secretariat Intranet, adding an increased level of transparency to the Secretariat that, to the knowledge of the Secretariat, is unprecedented among international Organizations.”

A true compact relation between you and your senior team of USGs and Heads of Departments should be described and characterized differently, to illustrate that these are your senior staff, your closest advisers, there to assist you in your responsibility to manage the Secretariat, and with whom you work closely and whom you support in their challenging tasks.

It should be noted that the Management Performance Board, although headed by the DSG, consists of USGs, i.e. it is a body for reviewing each other. In my view, the USG compact should be discussed between you and the USG concerned (after a review by the EOSG as to the accuracy of information). To my knowledge to this date, Mr. Secretary-General, you have not held any individual meetings with the USGs to discuss and follow up on the compacts. The compacts are an instrument to be constantly discussed and reviewed and improved in order to be a relevant and effective tool for true management.

In the OIOS Annual report on peacekeeping operations (A/64/326/ (Part II)), *I have suggested in my Preface that the USG compacts from now on “should include a section where managers pronounce themselves as to the effectiveness and adequacy of internal controls for resources under their supervision. In my opinion such a declaration from senior management would provide an impetus to bringing about the necessary process for strengthening internal controls and accountability in the Organization.* I informed you in a Note dated 23 February 2010 on the Report of OIOS Peacekeeping Operations, 1 January 2009-31 December 2009 about this (Attach 3).

I suggest you review the compacts as such and the process for their follow-up.

Accountability of senior managers

Although OIOS is a fundamental part of the Organization’s efforts to ensure individual accountability, managers have the most direct responsibility for individual accountability of staff under their authority. The responsibility for addressing individual accountability, therefore, begins with each manager in their day-to-day supervision of staff and ultimately rests with the Secretary-General in the exercise of his discretion for sanctioning misconduct.

Senior staff members often are not subject to the same level of managerial oversight by their supervisor of record. They may, in fact, be remote from their supervisor and given wide discretionary powers with little oversight related to individual accountability.

Even where the issue of individual accountability falls within OIOS' mandate, experience has demonstrated that senior staff, in particular those who may report to the Secretary-General, use their considerable authority to secure treatment not generally accorded to staff in more subordinate positions. This includes delaying investigations in different ways.

Regrettably, there is a strong perception in the Organization that individual accountability does not exist uniformly; that senior staff can act with impunity, absent accountability.

This perception presumably follows from a perception of inconsistent practice as to proportionality. There are instances where certain forms of misconduct have resulted in summary dismissal while other conduct, seemingly more severe or perpetrated by staff with greater responsibility, is subject to little or no sanction.

Of the four recent instances where senior staff members were subject to investigation, the absence of a day-to-day, line manager supervision created in different respects significant challenges for OIOS investigators. Moreover, none of these investigations reports resulted in a charge of misconduct. In two cases, the staff members resigned. One staff member publicly claimed to resign immediately after the report was issued, although he remained on the Organization's payroll until his contract expired. The other accepted an agreed separation before the final subject interview and has since assumed a position in another international organization. The other two cases had no apparent charge, sanction or other result.

Mr. Secretary General, to uphold respect for the rules in the Organization and to instil a culture of accountability requires that in particular senior staff is held accountable for their actions.

INDEPENDENT INTERNAL OVERSIGHT IN THE INTEREST OF THE ORGANIZATION

OIOS - established to support the Secretary-General

As I have already stressed, OIOS was established specifically to

“.....assist the Secretary-General in his internal oversight responsibilities.....”

A well performing organization rests upon two pillars- strong management and strong internal oversight.

In the interest of the Organization as well as the Secretary-General himself, the OIOS was established as operationally independent. Without its operational independence, the Organization could just as well do without an internal oversight function: the operational

independence is its core quality and serves to uphold the stakeholders' trust in the organization and thus finally serves the organization as well as the Secretary-General.

The International Organization of Supreme Audit Institutions (INTOSAI) has issued guidelines on how to establish and lead a public sector organization. INTOSAI stresses that the basis of a well performing organization is the management philosophy; An extremely important part of leadership is to drive the culture of the Organization and to reinforce it – in your case to materialize transparency and accountability. The tone at the top is critical to foster and maintain a positive attitude in the organization and to bring about a culture of transparency and accountability as important parts of the overall “control environment”. If an operationally independent internal oversight is part of the control environment in a wider sense, the sign of strong management is to support the internal oversight and to protect and uphold its independence.

It seems however that you have failed to see that the operationally independent OIOS finally serves your interest and your ambition to restore “a culture of accountability” in the organization.

Rather than using our findings and reports as your instruments for strong leadership you have tried to bring OIOS under your control.

One can try to control investigations....

The Secretary-General may always – particularly in a hierarchical organization – have all the information he would like to have. The oversight body, OIOS, is there to provide the Secretary-General with the information that he might not really want to have but that he needs to have in order to be an effective leader. However, Mr. Secretary-General, you have not given me to understand that you see the CAO role as relevant. Consequently you do not seem to appreciate OIOS as a resource specifically established to assist you in the discharge of your responsibilities.

It is true that the oversight body does not always bring “good news”; sometimes it has to bring “bad news.” In particular, the findings and recommendations from OIOS investigations reports can be challenging to deal with; they may also – if not handled properly and swiftly - find their way into the hands of media and make unpleasant headlines. It is therefore understandable that the temptation to control investigations may be strong. To prevent efforts in that direction, the General Assembly has reiterated in its resolution 59/287 that “independent investigation is in the best interests of the Organization”.

....and take control over bad news....

Late in July 2007, I was contacted by Mr. Won-Soo Kim who wanted to inform me about the breakfast meeting the following morning with some Permanent Representatives where the Secretary-General planned to launch an idea of “a renewed investigative

capacity”. The idea was a new investigative capacity, “a quasi-jurisdictional body” allowing for a full and efficient mutual cooperation with national law enforcement authorities. “An internal supervisory committee would exercise the necessary control.” This new capacity should serve “an accountable and more independent United Nations”. Anyone with the slightest knowledge and experience of the Organization would immediately tell you that the Member States would never accept such a body – for many different reasons (However, as I will address later in my report, with the stated ambitions of renewal and changed culture, the institutional memory around you vanished)

To make a long story short, I strongly dissuaded Mr. Kim from going along with this idea with reference to last year’s deliberations in the General Assembly, where OIOS mandate had been confirmed after long and well informed discussions. I also submitted to him a memo to this effect. However the idea was presented at that breakfast meeting and it was further presented to the USGs at the annual retreat in September. As I have written earlier in my memo, your office was/is described as “consumed by leaks”. A contributing reason for the ambition to control the investigations, I have come to understand, was the fact that OIOS had refuted a couple of times your request to investigate leaks. I made the reason for this very clear: such investigations are “non-starters”, OIOS carries out internal administrative investigations, we do not have subpoena power and should not have. Journalists will not disclose the source of a leak. Given these circumstances, OIOS will never be in a position to find the source of leaks. I also wrote to Mr. Kim that, in my opinion, it would also be seen as very negative on the Secretary-General, who had advocated transparency, to pursue leaks.

It was obvious in the course of the Autumn of 2007 that your interest in controlling the investigations remained. You stated openly in an SMG meeting that the Procurement Task Force (PTF) had to be kept “for political reasons” but otherwise a change must be brought about for investigations. It is interesting to note that your reasons for keeping the PTF were political, not following any ambitions to handle signs of corruption, mismanagement and negligence in core processes of the Organization. (And political reason can only be interpreted to the effect that keeping the PTF was a pronounced strong interest of some Member States.) However, you were mistaken in your belief that Member States would not be interested in the investigations function as such and to protect its independence. They were, and they are. That same morning Mr. Kim requested a meeting with me to discuss the issue of investigations, which took place later that day. I recall it as a very unpleasant meeting and where Mr. Kim clearly stated that the investigations should come under the authority of the Secretary-General.

In the course of continued discussions in the Autumn it became clear to me that your perception was that it was not really relevant that the General Assembly had effectively dealt with this issue after months of well informed and in-depth discussions. In your opinion you had the authority to raise the issue again, irrespective of the decision that the Assembly had just made. You wanted to change that decision, seemingly considering yourself to be a President of the Organization rather than the CAO of the Secretariat, accountable to the General Assembly. The mandate of OIOS and its operational

independence were not factors that concerned you. After lengthy discussion between our offices, your Office finally went ahead with a proposal to the General Assembly for a review of the investigative capacity in the United Nations. The response from the General Assembly was fairly blunt. They recalled the pronouncement by the ACABQ that:

“... the General Assembly, in its resolution 48/218B clearly established the role and mandate of the OIOS, and in its resolution 59/287 le in internal investigations. The Committee also recalls that the placement of the investigation function within OIOS was reaffirmed by the Assembly in its resolution 61/245.”

As to your request for a comprehensive review of investigations in the United Nations, the General Assembly requested you to submit detailed terms of reference in close cooperation with OIOS “before the General Assembly decides on the necessity of such a review, taking into account the role and mandate of the Office of Internal Oversight Services as established in resolution 48/218B”.

The General Assembly stands united and absolutely firm on the mandate of OIOS in accordance with the founding resolution 48/218B. One would therefore believe that things had been clarified enough by now. By no means.

...even after the General Assembly has pronounced itself

A year later, in March 2009 I received a memo on the objective and scope of work for a proposed Task Force, allegedly in conformity with the General Assembly resolution, to be established in accordance with a draft terms of reference. The scope of work included substantive reviews such as “review all types of investigations, “make suggestions on the need to improve systems”, “examine the steps that would be required to implement changes”, and to “elaborate a report on the functions and reporting procedures of the Office of Internal Oversight Services (OIOS) pursuant to paragraph 16 of General Assembly resolution 59/272.”

This final task, slipped into the terms of reference of the Task Force for investigations, is of particular interest as it is aimed at addressing the overall discontent in the Secretariat that the General Assembly had decided to make OIOS reports available to Member States upon request. This decision by the General Assembly opened up for some healthy and necessary transparency in the Secretariat but which ev t must be properly dealt with/contained.

OIOS refuted the overall disposition with reference to the General Assembly decision, stating that the proposed scope of work for this Task Force went far beyond the decision by the General Assembly. As to the particular review of OIOS pursuant to resolution 59/272, I felt it necessary to be precise and sharp and I wrote as follows in my Note in April 2009 to the DSG “...it is necessary to point out that it is the General Assembly that carries out evaluations and review of the functions and reporting procedures of OIOS, normally every five years. Therefore this cannot be part of the work of a secretariat task

force. In this context, I would like to draw your attention to paragraph 11 of that same resolution:

“Reaffirms the role of the Board of Auditors and the Joint Inspection Unit as external oversight bodies, and, in this regard, affirms that any external review, audit, inspection, monitoring, evaluation or investigation of the Office can be undertaken only by such bodies or those mandated to do so by the General assembly.”

Today, three years later, after lengthy discussion and even verbal fighting where I have stood steady as a rock on OIOS mandate, the discussion seems to have died down. I do not however have any illusions that this means that we will not again see efforts to undermine OIOS mandate and challenges to its operational independence. It only means that it has now for the time being been made clear that the General Assembly will not allow any infringement on our mandate and on our independence.

Mr. Secretary-General, I have expanded on this issue at some length, as I would like to ensure that my successor, the incoming USG/OIOS, will not have to spend three years defending OIOS mandate and the operational independence of the Office against the Secretary-General himself; be it investigations or any of the other disciplines of the Office, audit or evaluations.

As controlling investigations failed, the appointment of the Director must be controlled

The Resolution establishing OIOS (48/218B) was logically followed up by the then Secretary-General Boutros Boutros-Ghali in Administrative Instruction ST/AI/401 which lays down the rules for the delegated authority to the USG/OIOS to appoint staff in OIOS. With reference to General Assembly resolution 48/218B, the ST/AI/401 stipulates as follows:

“(b) With respect to the staff of the Office, the Under-Secretary-General shall have powers of appointment, promotion and termination similar to those delegated by the Secretary-General to the heads of programmes, funds or subsidiary organs enjoying special status in these matters.”... Thus, in accordance with the relevant staff rules, the Under-Secretary-General for Internal Oversight Services will have authority to appoint all staff members whose appointments are limited to service with the Office up to the D-2 level...”

The language in the ST/AI/401 is absolutely clear in its delegation of authority to the USG/OIOS

However, these stipulations aiming to protect OIOS and ensure its operational independence were soon to be challenged by you and in fact, until this very day, you are not recognizing this delegated authority to the USG/OIOS for appointment of OIOS staff. Instead, you insist that it is your authority to select and appoint staff in OIOS – not to only approve the candidate selected by the USG in accordance with ST/AI/401.

In 2007, the post of Director of the Investigations Division in OIOS became vacant. The post was advertised in December 2007 with the deadline for applications being 15 February 2008. On 18 November 2008, I submitted the evaluation results with my selected candidate to the Senior Review Group (SRG) which acts in lieu of our own review body. We had obtained legal advice under Kofi Annan's administration to do so, and had been assured that our operational independence would be respected. In hindsight, this advice has raised threats to OIOS' operational independence. To submit the evaluation results to the SRG under your watch was a mistake.

OIOS had followed all rules and regulations:

Even though the recruitment procedures do not require us to advertise externally, we advertised the post in *The Economist* and *Le Monde*, upon OIOS screening the 73 applications and identified four persons for interviews as the only candidates who met the qualifications and competencies for the post. There were no qualified women as was clearly explained in our submission. The four persons identified as qualified following our screening were interviewed by an external panel and their conclusion was unanimous and clear: there was only one candidate, my selected candidate, who was qualified and also fulfilled the suitability requirements.

However, the SRG, consisting of senior managers who are themselves subject to OIOS audits, evaluations and investigations, recommended re-advertisement "with wide circulation in order to attract an increased pool of candidates, including suitably qualified female candidates". They also concluded that "a Department Head must recommend three candidates, of which one must be female." Such a situation ensures that the final selection/recommendation to you would be made by the SRG – who are subject to OIOS scrutiny themselves – rather than by the USG/OIOS in accordance with the delegated authority stipulated in ST/AI/401.

It is to be noted that only on 1 January 2009 – one year later - the ST/SGB/2009/2 came into force stipulating that "Heads of Departments shall submit to the Senior Review Group a shortlist *normally* (Emphasis added) containing three names of qualified and suitable candidates, including at least one female candidate." It also has to be noted that OIOS is not under the purview of the SRG but we are entitled to our own review body in accordance with ST/AI/401. This ST/SGB is furthermore inconsistent with the delegated authority to the USG/OIOS

ST/AI/401 stands - the delegated authority to the USG/OIOS prevails

I regarded the position of the SRG as an undue interference in the USG/OIOS right to appoint staff in accordance with the delegated authority mentioned earlier (ST/AI/401) and turned to you to intervene in the process and to support and protect the operational independence of OIOS. I sent you an e-mail on 2 December, requesting urgently a meeting with you. Such a meeting was confirmed and I clarified in a later e-mail that I wanted to discuss with you the Appointment of the D-2 for Investigations Division. I concluded that OIOS had not earlier, i.e., under previous Administrations, met any obstacle for the USG/OIOS to exercise his/her authority to appoint OIOS staff in accordance with ST/AI/401.

The short of it was that the meeting with you was cancelled, and Mr. Kim declared in an e-mail to me on 12 December that they could not find time for SG before he left for Poznan and that “.....you may discuss it with DSG during SG’s absence. I’ll arrange a meeting with DSG.” I explained to Mr. Kim that I did not regard this as a management issue but rather as an issue of some significant principle importance. A subsequent exchange of Notes and meetings with the DSG did not bring any solution to the issue. In such a meeting the DSG even suggested that the SG had the authority to amend ST/AI/401 to which my response was that this certainly was true but would not pass unnoticed by Member States. In a note to the DSG on 19 December I advised her that I would now address this issue to the Independent Audit Advisory Committee (IAAC) for its attention and advice in accordance with its terms of reference. I also advised that I would inform the Board of Auditors.

During this period I informed you in e-mails about the situation and my concern both over the situation in principle – the questioning of the authority of USG/OIOS to appoint staff in OIOS – and of the serious operational consequences for the Division now facing challenges of restructuring and under heavy pressure in different respects. Also, the recruitment process had now been ongoing for a year.

I raised my concern that the SRG, composed of heads of departments who are subject to OIOS scrutiny, would in fact have a decisive influence on the appointment of senior officials in OIOS, infringing on the authority delegated under ST/AI/401 which stipulates that the USG/OIOS “shall have the powers of appointment, promotion and termination similar to those delegated by the Secretary-General to the heads of programmes, funds or subsidiary organs enjoying special status in these matters.” I also stressed that never before had the Secretary-General intervened in a matter of appointing staff in OIOS. You did not make yourself available for a meeting.

I finally informed you in writing that I had decided to bring the issue to the IAAC and to inform the Board of Auditors. I sent a note to the IAAC on 19 December 2008.

A new year arrived, the second year since the start of the recruitment exercise - and you express displeasure that your “authority is unduly questioned” and that you are under “undue pressure by staff”

In your Town Hall meeting on 5 January 2009, you urged staff to come forward: “... Now, I would like to hear from you: your hopes, your concerns, your complaints. I encourage you to be open and speak freely ...”

Inspired by this openness, a staff member from the Investigation Division wrote you a very gracious e-mail and copied it to me:

“Dear Sir,

I would like to thank you for your very motivating speech you delivered at the Town Hall meeting on 5 January I have had the privilege of working very closely with Mr. Appletonand can assure you that in my 19 plus years at the UN I have never worked for a more motivated, experienced, effective, ethical manager ...I am aware that Mr. Appleton applied for the vacant D-2 post (in Galaxy) ... and I am also aware that he was recommended for the post, unfortunately there seems to be the same UN bureaucracy (that you have mentioned time and again that is holding back the approval of his appointment... The UN has lost too many “best and the brightest” and it is even more imperative now that we ensure that we can have these staff on board so that we can move forward in changing the culture and bringing our Organization into the 21st Century ...

Signed”

A month later on 4 February 2009, twelve staff members of the now dissolved Procurement Task Force wrote to you in support of Mr. Appleton:

“Dear Mr. Secretary-General,

... As investigators who have worked under Mr. Appleton, we would like to share with you our admiration for him as a leader who has inspired all of us to work harder, better and longer. He has done so through example, never requiring anything from us that has not demanded from himself. We know that his integrity is beyond reproach...

The United Nations, unfettered by restrictions such as citizenship requirements, is in a unique position to appoint the best and the brightest, from all over the world, to its investigative body. We are hoping that the Office of internal oversight Services will become the flagship of excellence for investigations. We are hoping that it will become an entity admired from without and within, as an example of thorough, hard-working professionalism. We are confident that this is

a goal that can be realized, in the not too distant future, with Mr. Appleton at the helm a Director of Investigations.

Signed by twelve staff members”

These two letters came out in very strong support of a manager in the Organization. Have you ever seen staff come forward in support of their manager in this way?

In a meeting with the DSG on 13 February (it was not possible to get a meeting with you), I was given the impression that you had raised some concerns over the fact that I had approached the IAAC and I explained in an e-mail to her why the IAAC would be/is the proper forum for the USG/OIOS to turn to, when there is an issue with management or where there is need for clarification.

The DSG explained to me in an e-mail on 17 February that the fact that I had turned to the IAAC was not an issue. However, her intention was to bring other things to my attention:

- “Bring to your attention the SGs displeasure to the manner in which his authority was being unduly questioned;
- Stress while clearly respecting the operational independence of the OIOS, the person heading the Office was still a USG who operates under the SG on delegated authority, as outlined in my earlier correspondence to you in this matter; and
- Point out that the PTF Staff’s letter to the SG on the matter was part of what appears to be an undue pressure exerted on the SG to compel him, to act or react in a certain manner.”

I responded to this in an e-mail to the DSG mainly addressing the third point, as the first two points were now being dealt with between the IAAC and yourself.

My comment on the third point was to refer to the Secretary-General’s speech at the Town Hall Meeting encouraging staff to come forward with their thoughts and concerns and when they do so, they are rather treated as intruders and interfering in his decision making process. I stressed that staff certainly have a right to be heard in a decision making process and that it is also wise for a manager to listen to staff. However, a strong manager listens to staff and then makes the decision on his/her own responsibility without regarding staff opinions as compelling to act in way.

I have never had the opportunity to directly address your displeasure over me “unduly questioning your authority”. Let me just say that I am not questioning your authority but your interpretation that your authority extends to app and with

service restricted to OIOS). The authority in this respect was – for reasons of the operational independence of OIOS - duly delegated to the USG/OIOS by the then Secretary-General Boutros-Boutros Ghali in ST/AI/401, which is still in effect.

IAAC urges the post to be filled

On 23 February the IAAC submitted its report Vacant posts in the Office of Internal Oversight Services (A/63/737). Concerning the recruitment procedure of the Director of the ID, the IAAC wrote as follows:

In this respect, the Committee notes the decision of the General Assembly to provide “operational independence” to the Office of Internal Oversight Services under resolution 48/218 B and the Secretary-General’s delegation of authority contained in administrative instruction ST/AI/401 of January 1995, which, inter alia, provides that “the Under-Secretary-General for Internal Oversight Services will have authority to appoint all staff members whose appointments are limited to service with the Office up to the D-2 level”.

10. In this regard, the Committee has provided advice to assist in the resolution of the matter. However, to date the matter remains unresolved. The Committee remains available to provide further assistance, as required.

11. After careful consideration of this matter by the Committee and in the light of the above-mentioned concerns, the Committee unanimously agreed to bring the issue of the high number of vacant posts in the Office of Internal Oversight Services and, in particular, that of Director of the Investigations Division, to the attention of the General Assembly. **The Committee urges that, in the Organization’s best interests, immediate action be taken to have the vacant posts filled in a streamlined and expedited manner. This will help to ensure that the Office of Internal Oversight Services can perform its mandated functions effectively and efficiently.**

(Signed) David M. Walker)

During this period, at a social gathering (on 11 February to be exact) Mr. Kim approached me and commented on this ongoing recruitment issue, asserting that “This is not a personal issue it is a question of the SGs authority”. That was a clear and interesting message: *The Secretary-General wants to exercise his authority to appoint staff in OIOS.*

In March 2009 OIOS advertises the post a second time

As a sign of OIOS good-faith intention and in the spirit of the IAAC report to resolve the matter, I decided to advertise the post a second time. To this effect I asked USG/DM

Ms. Kane to launch this additional advertisement for 30 days. (An informal agreement to this effect had already been concluded between Ms. Kane and Mr. Walker).

The re-advertised vacancy announcement with no change was circulated on 2 March 2009 for 30 days. The advertisement attracted a total of 68 (sixty-eight) external applications and one internal. OIOS reviewed all the applicants, particular attention given to women and applicants from un- or under-represented countries. Four applicants, including two women were identified for interview. An external panel was established as in the first round. Again the panel was unanimous in its recommendation.

On 19 June 2009, I submitted my request to you:

“Supported and guided by the unanimous conclusion by t in accordance with the United Nations charter; the operational independence afforded to OIOS by the General Assembly and to ensure OIOS effectively achieves its mandate with respect to investigations, of the eight candidates above, I respectfully request that you approve my recommendation to appoint Mr. Appleton to the position of director of the Investigations Division.

The Director’s position was initially advertised almost 18 months ago, in December 2007. I am deeply concerned that the lengthy selection process has had and still has serious negative impacts on the operations of the Investigations Division. Therefore, I respectfully request and should appreciate your giving priority attention to this matter.”

The SRG is heard again....

You evidently referred my request to the Senior Review Group (SRG) asking for their advice to you. On 15 July through an e-mail, I was informed by Mrs. Catherine Pollard, Secretary of the SRG, on their views:

- The SRG suggest interviews of four more candidates
- The SRG advised that the policy for filling D2 positions requires the Department Head to shortlist “normally three names of qualified and suitable candidates, including at least one female candidate”.

On 5 August 2009, I resubmitted my request to you giving exhaustive comments on the SRGs recommendations:

Three of these suggested candidates did not have the required advanced law degree (and not the required work experience either); the fourth candidate had taken early retirement from the Organization at the P-5 level. I explained in detail the conclusions and recommendations by the interview panel, and e.g. that the panel from the eight

interviewed candidates found two that were qualified but suitable only for a less senior position and that five candidates were found qualified but not suitable. The panel found only one candidate qualified and suitable and recommended accordingly.

.... OIOS fully addresses some questions from Ms. Catherine Pollard, ASG/OHRM

On 9 September 2009, Ms. Pollard, ASG/OHRM, provided the Chef de Cabinet, Mr. Nambiar with some comments in relation to my Note to you on 5 August. Ms. Pollard's comments were as follows:

She suggested that there was no policy preventing the Organization from rehiring retired staff. She again mentioned as suitable two of the candidates rejected by OIOS because they lacked the required advanced law degree. She then suggested that OIOS should have a more "flexible approach" as to academic requirements. She suggested that the internal candidate should also be considered.

On 25 September, OIOS responded to the Chef de cabinet on Ms. Pollard's comments to him and as follows:

"... I am aware of the specific organizational policy governing the employment of retirees – ST/AI/2003/8 (and as amended on 17 March 2006 and on 2 February 2009) As explained in my earlier note to the Secretary-General, Ms. AA took early retirement from the United Nations at P-5 level in January 2008 at the age of 56 according to the related Personnel Action."

ST/AI/2003/8 in fact prescribes specific contractual arrangements under which former staff members above the age of 55 and who have not reached the mandatory age for separation may be re-employed. These contractual arrangements are:

- (a) For service specifically with a United Nations mission or to replace staff on mission....
- (b) For service as technical cooperation personnel.....
- (c) For conference and other short-term service....
- (d) As an individual contractor or as a consultant.....

(I have shortened somewhat these references above without losing the message).

It is absolutely clear that none of the above arrangements are applicable for the recruitment of the Director, Investigations Division. AA cannot be considered for interview and re-employment. It could be added that according to the internal rules of the Organization a staff member at a P-5 level is not eligible for promotion to D-2 level."

As to ST/AI/2003/8, there is no room whatsoever for interpretation, it is crystal clear. In addition, the General Assembly has pronounced itself on the issue of retirement and you

yourself have consistently stated your position to apply the rules of retirement strictly and according to the letter, a message which has been widely distributed by OHRM.

In this context it is extremely concerning that the expert office (OHRM) is ignorant of the existing rules in the Organization as above and also careless not to check further before they advise you, the Secretary-General, on an important matter. The alternative interpretation is that her advice to you in its context is evasive to the extent that it is in fact misleading.

As to the suggestions (again) that two of the earlier mentioned candidates should be interviewed, I again pointed to the fact that they were not qualified, because they did not have the required advanced degree in law. As to her suggestion to a “more flexible approach”, I responded:

“I would like to stress that flexibility in this specific case effectively lowers the bar on qualifications requirements for this crucial position and therefore does not serve the interest of the Organization or effective and efficient operation of the Investigation Division. The position as Head of the Investigation (Division) is one of the most important legal positions in the Organization; therefore an advanced degree in law is an absolute necessity...”

As to her recommendation that the internal candidate should be considered, my answer was that the candidate had been interviewed and given full consideration. This was clearly detailed in my submission. However, “... the panel came to the conclusion that the candidate cannot be recommended for the position”

On 25 September 2009 – with reference to the report by the IAAC (A/63/737) and with my note to Mr. Nambiar as above attached – I resubmitted my request for your approval of my appointment of the Director of Investigations Division.

In a note and e-mail on 25 November 2009, I resubmitted my request to you stating: “.... respectfully request you again to consider this approval of the appointment an urgent matter.”

The process of recruiting the Director for Investigations is now in its third year

In 2010, I have resubmitted my request to you four times and asked for your approval: on 27 January, on 14 April, 11 May and 24 June..

In all I have submitted requests to you nine times; the first time on 18 November 2008, my request was submitted through the SRG. However the matter immediately became an issue for your consideration. Thereafter I have submitted my request to you on 19 June 2009, 5 August 2009, 25 September 2009, 25 November 2009, in an e-mail 21 December 2009 and further 27 January 2010, 14 April 2010, 11 May and 24 June.

I received early comments from the SRG and Ms. Pollard as addressed to Mr. Nambiar and as detailed above. *However, neither you nor your EO ever responded to my submissions. There have been no comments whatsoever from your office: no 'yes'; no 'no'; nothing!*

When the issue was formally raised in last April, the formal answer from OHRM on 13 April is that “*the process for selection of a candidate for that vacancy remains ongoing*”. It is remarkable that not addressing your own perceived authority over appointments in OIOS takes such a long time.

In OIOS Annual Report on peacekeeping operations (A/64/326 (Part II) I wrote the following:

D. Impediments to the work of the Office of Internal Oversight Services

“20. OIOS is extremely concerned that the D-2 vacancy in the Investigations Division remains unfilled. Meeting the challenging requirements of managing the Division requires full management capacity and strong and sufficient leadership. The long impasse on this issue has been duly noted by the Independent Audit Advisory Committee (see A/63/737), as well as by the General Assembly. In its resolution 63/287, the Assembly took note of the observations and recommendations contained in the report of the Independent Audit Advisory Committee on vacant posts in OIOS and requested the Secretary-General to fill the vacancies in the Office in accordance with the existing relevant provisions governing recruitment in the United Nations and the provisions of the resolution. The Assembly has retained its authority to approve the appointment of the Under-Secretary-General for Internal Oversight Services (resolution 48/218 B) as a measure of protecting the operational independence of OIOS. Therefore, for consistency, the Under-Secretary-General should have the authority to appoint key staff in OIOS. It must also be emphasized that the delegation of authority by the Secretary-General contained in administrative instruction ST/AI/ 1 provides, inter alia, that the Under-Secretary-General for Internal Oversight Services has the authority to appoint all staff members whose appointments are limited to service with the Office up to the D-2 level. To ensure that the Investigations Division has adequate leadership and management capacity, it is critical that this post be filled expeditiously.”

Better also control the appointment of the Director of Inspection and Evaluation Division

On 5 April I submitted to you for your priority attention “the approval of my recommendation to appoint Mr. Yee Woo Guo to the position of Director of the Inspection and Evaluation Division.”

I reminded you on 11 May – in the same submission as I reminded you on the Director's position in the Investigation Division. I reminded you again 24 June. To this date, I have received no response.

Good governance means protecting and supporting the oversight body - to try to control and contain it is a sign of poor governance and management

For the Secretary-General to control appointments in OIOS is an infringement of the operational independence of OIOS.

Mr. Secretary-General, I have expanded on this process of the appointment of the Director of the Investigations Division, now ongoing for close to three years, with some detail. I have done so, because of all the questions I have raised earlier, this is in my opinion the very serious one. The flaws and shortcomings in different respects as to processing of reforms and to exercise management, the failures as to achieve goals or to live up to commitments as to transparency and accountability, as examples, may be explained by lack of management experience, interest and understanding.

Although I certainly am of the opinion that lack of these qualities should not be allowed to be exercised in the United Nations, it is still fault by omission, not fault by active action. However, when it comes to the efforts of exercising your authority to select key staff in OIOS, it is an active interference with a specific aim - to exercise control over OIOS.

In such efforts, you and your office have relentlessly endeavored to find flaws and loopholes in the ST/AI/401, and when that does not seem to be a solution, to find all sorts of technical arguments, and alleged flaws in my recruitment process. And after such an approach was not successful, the position selected has been silence, complete silence.

ST/AI/401 was logically established by the then Secretary-General Boutros Boutros-Ghali to realize the operational independence of OIOS, and with reference to the founding resolution.

It seems to me that you fail to see the value and critical importance for your own position to be supported by an operationally independent oversight body – as I have already touched upon in the earlier chapters. But rather you strive to control the function and to suppress it as an effective instrument in supporting you in heading the Organization. Every strong leader/manager supports, protects and enjoys the work of a professionally strong internal oversight. You seem to rather regard its existence as problematic, our reports as detrimental to your reputation rather than to deal with them with resolve and to act in the spirit of your own rhetoric of accountability.

You have been unavailable for discussions of this issue, not responding to submitted documents or messages in writing. It is extremely remarkable that none of my submissions to you on this issue, nor any of my reminders to you and your office on the

issue have been responded to. The consequence is that the issue has stayed in complete limbo – no action whatsoever from your side, allowing you to avoid any kind of responsibility.

The General Assembly in its resolution 48/218/B retained their final authority to appoint the USG/OIOS. Why would they for a second consider delegating the authority to you to select key staff in OIOS? That would in fact make their own decision to retain their authority ineffective and pointless.

The fact is that you are not upholding to the letter, nor to the spirit, the General Assembly's decision to ensure an operational oversight body in the interest of the Organization. In this sense your actions are not only deplorable, but seriously reprehensible. No Secretary-General before you has questioned the authority delegated to the USG/OIOS to appoint the staff in OIOS. Your action is without precedent and in my opinion seriously embarrassing for yourself.

I have expanded in great detail on the issue also to ensure that my successor, the incoming USG/OIOS, is well informed about this critical issue.

MANAGEMENT REFORMS

“We do not do management here...”

Fairly early upon your arrival it became clear to me that your EO – “the 38th floor”- did not work very well. It was not surprising: you had let go all staff that had worked closely with Kofi Annan, vacancies remained and those who had had experience and institutional knowledge.

I suggested to the Chef de Cabinet and the Deputy Chef de Cabinet that OIOS carry out a review of the EOSG with the purpose of identifying proper structures and processes in order to ensure that the ambitions launched by you upon our arrival also could be pursued and achieved. Such a review would be carried out by the OIOS consultancy function (which later was moved to DM). We received a positive response, initiated the work and after a desk review and some interviews we presented a draft preliminary report, outlining different alternatives on how to structure the EOSG, given the high level priorities that you had defined, such as strengthening the three pillars of the United Nations, breathing new life into the Secretariat, improve human resources management.

Our presentation included a proposed clarification of the major tasks of the EOSG, among which we mentioned “management and management of reform”

In course of the presentation of this work, Mr. Won-Soo Kim asserted: “We do not do management here, and Reform, that's done.” My comments were that certainly daily operations would be delegated down but that the Secretary-General with the EOSG to support him would be responsible for strategic management and guidance. The comments

by Mr. Kim compelled me to write an e-mail to him later that same day (2 May 2007), raising the issue of management reform and my concern of the seeming lack of interest and understanding from the EOSG:

“I am concerned about the progress of the reform or rather the lack of it and I believe this is a risk to the Secretary-General and the organization. If you look at the report A/60/692 Investing in the United Nations: for a stronger organization worldwide – (see attached) you will find 23 proposals that the organization has committed itself to. The large proportion of these is within the authority of the Secretary-General to implement. The strategic planning, coordination, monitoring of the implementation of critical reform initiatives appear to be at a standstill. Questions are about to be asked on this and I was surprised that you seemed quite positive in declaring management reform completed...As usual I am available to discuss these issues in the best interest of the Secretary-General and the organization.”

There was no follow up on the draft preliminary report and this email.

In course of 2006, four Member States - Chile, South Africa, Sweden and Thailand - had formed in informal group with the aim of enhancing the United Nations Secretariat and Member States efforts in reforming the United Nations system, “by underlining a Member States perspective.”

They called themselves The Four Nations Initiative (The 4NI.) The group had its focus on Governance and Management. Their final report - Towards a Compact, Proposal for Improved Governance and Management of the United Nations Secretariat – was the result of ample consultations within the Secretariat and with Member States. It contained 32 concrete proposals on how to move forward a management reform in the United Nations.

According to 4NIs Website, with photos, on Wednesday 19 September 2007, the report was presented to you:

“The Secretary-General Ban Ki-Moon, as head of the United Nations Secretariat, received the 4NI most warmly and thanked the Initiative for its work. “ This will be my bible”, he said referring to the 4NI final report. Secretary-General Ban Ki-Moon counted on the continued support.”

The report was also submitted to the President of the General Assembly and, according to the 4NI website, he “remarked on the importance of this as a Member State initiative. He already then announced his intention to propose a thematic debate in the General Assembly. Such an informal debate took place in April 2008.

In preparation for this debate the 4NI “sent a letter to the Secretary-General asking about his actions and reactions in regard to the proposals addressed to him and the secretariat.” They never received an answer.

It must be stressed that if management reforms are going to be realized in the United Nations, the initiative must come from you; the ownership of reform must be taken by you - and your office to support you. Without such ownership little or nothing is happening. The Investing in the United Nations has not been pursued; the 4NI has not been followed up. The establishment of an Accountability Framework, including an Internal Control Framework, has not materialized.

In the following I will address two of the organization wide reform processes that would need your leadership

The Budget Process

An important and dysfunctional process

The budget process is a key process in any organization. It is - or should be - the key process for managing priorities and for monitoring results. It should constitute an effective dialogue on resource allocation between the General Assembly and the Secretariat.

In the United Nations it is highly dysfunctional, disconnected from the Results Based Management concept, separated in time from the Strategy and rarely touches substantive issues. It takes more than two and a half years from preparation to coming into force. The result is a submission to the General Assembly based on old information and presented on such a technical and irrelevant level in substance that inevitably leads the General Assembly to focus on details on posts and activity level instead of strategy and priorities. The irrelevant information provided to the ACABQ and the Fifth Committee has to be compensated by comprehensive ex-post facto information. The 4NI estimates this ex-post information to 563 pages of written replies to 490 questions at a Secretariat cost of more than \$10million. It is a time consuming and frustrating process on both sides.

Member States are committed to having a discussion on the budget process. The 4NI encouraged the initiative by the President of the General Assembly to arrange in April 2008 the seminar, that I have mentioned above, with Member States and representatives from the Secretariat to discuss reform in this respect.

The Seminar in Green Tree in April 2009 at the initiative of the Malaysian and Swiss delegations - that you attended - led to interesting discussions on how to reform the budget process. Your own intervention reflected criticism and frustration over the process. We have not seen any result from this seminar and no follow-up in the form of an initiative to reform.

It was evident that your first year's experience with the budget process in the Organization had raised your concern over different aspects of it. In fact, in an SMG meeting in July 2008 you addressed this issue. I supported your view at that meeting and added that I had long seen with concern how dysfunctional this process is. I commented further on this important issue in my bi-weekly to you dated 29 July 2008 (Attach 4).

My position was and is that the budget process in the United Nations is seen as a process for technicians only without relevant and proper involvement of substantive departments. Even more concerning and fundamentally wrong is the circumstance that the EOSG and the Secretary-General himself are not involved in the budget process, or at least not in a meaningful way.

How could it be improved?

My suggestion at the retreat was to establish a well structured and formal first phase in the budget process as a dialogue between the Secretary-General and the Member States. At that stage the Member States should be personally represented by their Permanent Representatives. Later on in the process, when focus might shift to more detailed presentations, more junior representatives of Member States should be the case. Such a proposal comes from common sense knowledge. It is at this early stage that basic priorities should be outlined and a budget frame be established. This phase certainly needs careful preparations in the Secretariat. Information at the Green Tree Seminar was that the General Assembly has already decided to establish such a process. It seems that the existing extremely technical process of establishing the "Strategic Framework" is regarded to constitute such an early phase. If that is the case, one can only conclude that it is a failure as it is not of any relevance for the budget process, the financial part of the process. It should be considered to combine the Strategic Framework and the Budget presentation.

Leadership is required to bring about change. To take the initiative to reform the budget process is your responsibility as the CAO. It is true that you and the Secretariat do not hold full sway over such a reform. It also necessarily involves the General Assembly – as is made completely clear by the heavy presence of Permanent Representatives at the seminar and by the initiative taken by two Member States to host the seminar.

The seminar should be interpreted as a signal to reform. However there is no sign of ongoing reform. *In this respect, Mr. Secretary General, it is absolutely necessary that you give the signal to start and that you lead this process all through to its accomplishment.*

OIOS has taken the initiative – following from our risk assessment – to evaluate the budget process. I believe we can expect some recommendations based on findings from surveys and interviews with programme managers and members of the ACABQ. The

position of the General Assembly is that recommendations from OIOS – and other oversight bodies – shall have to be implemented by the Secretary-General.

Human resources policies

The Heads of Departments, the USGs, are presented a fait-accompli

You stressed early upon your arrival your position on staff mobility and that United Nations staff should be “multifunctional”:

“With the United Nations taking on a more and more global role, United Nations staff members too, should be able to be more mobile and multifunctional”

You also made a point of leading by example in your own office. And in fact after a year or so the turnover in your EO was almost 100 %, only one person remained and remains from the period of Kofi Annan. The situation is almost the same for USGs as well.

In an SMG meeting on 7 December 2009, the USGs present were informed by USG/DM that on 1 January 2010 a major reform would come into force requiring among other things, geographical movement as a new eligibility criterion for promotion. Effective from 1 January 2010 it was proposed that promotion to the P-5, D-1 and D-2 levels would require one geographical move. Effective from 1 January 2011, two prior geographical moves would be required, at least one of them to a non-family location.

As was evident from the presentation, the proposed reform would have retroactive effects and staff that had already prepared their professional career in accordance with existing rules, would now have to completely rethink and basically start all over again. The proposal was presented as a fact and already discussed with staff.

Some of my colleagues ventured to take the floor and raised some questions on the proposal. They expressed surprise concerning both the substance and process of the proposed reform, especially the short notice for the reform to come into force. It was also noted that staff seemed to be better informed than the USGs who were the ones to implement and manage such a reform.

It should be noted with some concern that you lashed out openly at the meeting to those of your senior colleagues that raised some cautious concerns about process and timing of this “reform”. You declared that it was *your* policy, *your* decision and that those who did not like it should leave the Organization. This event was recorded for history in the fairly detailed minutes from the meeting.

I wrote you a Note raising my concerns over a flawed reform proposal

I had never heard of any major mobility reform in progress or under preparation and I turned to my Executive Office to find out facts. I was informed that in late November the ASG/OHRM had in a Power Point presentation outlined the proposed mobility reform at a Town Hall meeting with Staff. I was also informed that on 9 December OHRM had sent to their focal points in the Executive Offices an e-mail on the Staff Selection System “for consultation”: “We would like to share with you an additional draft amendment to the ST/AI/2006/3 following the agreement at the 30th SMCC and as approved by the Secretary-General.”

I asked my Office to find the underlying report and analysis for this “reform” and I was told that no such report or analysis existed. The only document was the above Power Point presentation. I then decided to write a note to you, addressing OIOS concerns and the potential high risk to the Organization that such a change may constitute. I stressed that it is the responsibility of the oversight body, established to assist you in your oversight responsibility, to raise our concerns at an early stage.

I pointed out that the proposed reform posed risks that could significantly jeopardize the Organization’s operations and the achievements of its goals should this policy be implemented in its current form and in the time-frame projected. My concerns were about the lack of analysis of problems to address and consequences of this proposal:

- The lack of analysis of the operational implications of the proposed policy as well as the consequent lack of an appropriate implementation strategy.
- The proposal placed mobility as the paramount consideration for promotion, not the need to identify and retain staff at senior levels with the requisite skills and competencies.
- The lack of consultation with department heads, those ultimately responsible for implementing and managing such a major reform. The reform, in fact a major change management issue, was confined to issuing a policy document, only treating the change as a technical adjustment of an ST/SGB.

I finished my note by urging you to “carefully consider my concerns and ensure comprehensive and participatory analysis and review of the implications” of the suggested policy in my Note dated 18 December 2008 on Draft amendment to ST/AI/2006/3 (Attach 5).

I will now also add that a “mobility reform” does not come without significant direct financial costs – added to indirect costs pertaining to loss of experience, training requirements, etc. According to existing rules the cost to move a staff member geographically – depending on his/her family situation - varies for a P4 staff member between 36,000 US\$ for a single staff member and 53,000 US\$ for a staff member with spouse and two children. Calculated on a modest ambition of rotating 1000 staff members annually, the direct cost would be around 40 mill US\$.

It is remarkable and of great concern that no cost implications – direct or indirect – were presented by OHRM as part of their presentation of this comprehensive “reform”.

The General Assembly later requested the Secretary-General “not to take measures on geographic mobility until” the Assembly had considered a report by the Secretary-General as earlier requested by its resolution 64/243.

Staff mobility as an aim in itself

You stated in the SMG meeting that you want a mobility programme introduced within your five year term following your early statement of the need of having a ‘multifunctional’ United Nations staff.

However, staff mobility can never be an aim in itself (this is also clarified in the relevant General Assembly resolution); mobility is only relevant in the sense that it serves to achieve the programmatic aims of the Organization by enhancing staff capacity. You made staff mobility an aim in itself: staff should move to be more multifunctional, “to function across disciplines”. But what if the United Nations does not need multifunctional staff but staff well trained and prepared specifically for their demanding tasks in the field or the headquarters?

Mr. Secretary- General, it seems to me that your reference of experience is a Member State’s Foreign Service. In the Foreign Service, staff serve for periods in different parts of the world in fairly small entities and with similar mandates and tasks and where skills/competencies for service in various duty stations are more readily transferable. But the United Nations is not a foreign service. It is a worldwide, complex service provider in large missions and offices, many of which comprise hundreds of staff members in specialized positions. The work is often carried out under extremely challenging circumstances and requires, particularly in the field, qualified and stable expertise in a number of disciplines – human resources management, finance, procurement, fuel management, air transport, law, information technology and so on, including audit.

In my opinion, the problem in the field is not “lack of mobility”. The real problem is high staff turnover and insufficient incentives to retain staff due to hardship conditions in the field. In fact, the problem is excessive mobility and difficulty to maintain the required capacity. This is clearly manifested in the persistent high vacancy rates in the field, i.e. high mobility as a major and persistent problem. There are many problems related to mobility, following the fact that management may have in some cases inadequate authority to move staff – without their consent – but in the interest of the programmatic objectives of the Organization. But such problems are not solved by rotating the whole United Nations round a 20% mobility target for professional staff, but requires some specifically targeted measures to solve particular problems.

For Headquarters, the challenge is to recruit people to senior positions with the relevant qualifications, among which may also be mentioned relevant field experience, but above all substantive knowledge and management experience - which of course may also be gained in the field. But to make “mobility” the hub around which to turn the United Nations and without any analysis of its implications shows lack of understanding of the Organization’s operations.

With due respect, Mr. Secretary-General, your mobility proposal came without analysis and would at worst have inflicted significant harm upon the Organization. Equally concerning, or even more concerning, is the fact that such a culture has evolved that your idea was not subject to any analysis as to costs or operational consequences.

Mobility commitment as part of the Human Resources Action Plan

Mobility has been made a part of the Human Resources Action Plan which the USGs are supposed to sign and “undertake(s) to plan, monitor and implement...” The Plan requires USGs to “achieve 20% overall annual mobility of staff categories in the Secretariat”. I have abstained from signing this commitment, as it would be fatal for the programmatic aims of OIOS, and I have explained in detail why in a Note to OHRM.

OIOS has made significant efforts to bring staff turnover below 20%. An acceptable level of turnover in any organization – considering the loss of expertise and the cost of recruiting and inducting new staff – is normally below 10%. Staff turnover of 15% and above is a matter of concern. In DFS, as an example, the latest figure of staff turn-over is just below 30%. To retain staff in the field is a constant challenge. To add to these problematically high figures a mandatory mobility requirement is – to quote a French saying: *C’est pire q’un crime, c’est une bêtise.*

If I am the only one who has refrained from signing this proposal, it is for a good cause for concern, because it either implies that when the Secretary-General requests it, you do not ask, or you do not really care what you sign, because finally it does not mean anything. Both alternatives are equally concerning from the perspective of the interest of the Organization.

A flawed reform process that failed.

How is it possible that such a comprehensive and poorly analyzed reform proposal, launched in a completely flawed process, can be brought all the way up to be just two weeks before coming into effect? In all aspects, this “mobility policy” is a striking example of how a reform should not be processed and a striking example of an ambition doomed to fail sooner or later, as it would be harmful to the Organization.

I will offer some reflections, pertaining to the mobility process in particular, but in fact comments of a more general nature.

Processing a “reform” in the United Nations and elsewhere requires leadership and the active commitment and ownership by senior management. As I have already mentioned above, *a successful reform process pertaining to the whole Secretariat, Mr. Secretary-General, necessarily requires your active and visible participation and leadership.*

Instead of you leading the reform as a *process*, it was the “expert office” that handled it as a mere technical change to the relevant ST/SGB following their interpretation of your instruction and your stated overall ambition: “I want mobility and a multifunctional staff”.

In this context it is of utmost concern that no analysis was carried out as the basis for this significant change; no analysis of what is the problem, no presentation of direct financial implications and related indirect costs and no analysis of the consequences for the United Nations operations of such a proposed reform. The conclusion must have been that no analysis is needed because the Secretary-General has requested this change. Now it had to be expedited.

To lead a reform process requires of course first of all a proper structure for the process – a project with a project manager, a steering committee, in short a structure to ensure proper consultation and the ownership by senior management.

A proper process would have started with an analysis of the problems to solve and considered the consequences for the programmatic aims of the Organization when tailoring a reform. Such a process would therefore very soon have revealed that what the Organization needed in the form of a human resources reform was something different from a sweeping mobility reform. However, it is very likely that such a proposal would have contained solutions also for particular mobility problems, e. g. pertaining to management’s lack of authority to move staff in the interest of the programmatic aims of the Organization. Let me also add that leading a reform process of this magnitude and impact would also require your readiness to listen to arguments and to achieve an active consultative process involving your senior managers who are the ones supposed to assume responsibility for its implementation and for managing it. Failure to consult and listen to Senior Management’s view is a safe formula for failure of achievement.

When you took office, you mentioned “team-work” as something that you would foster. In fact you repeatedly *profess* to a leadership style of teamwork and collaboration. Mr. Secretary-General, I am sure that you have the best intentions, but I have to tell you that in reality however, your style comes out as one of command and control. It is very obvious that you regard alternative solutions and suggestions by your senior management not as a valuable input to the process of reflection, but rather as criticism and even undue questioning of your authority. This comes very clear in the compacts, as I have already addressed, but is also obvious from how you in fact operate. The presentation of a fait accompli proposal on mobility reform is another such example. Certainly, after some time, advice is no longer offered, to the detriment of a consultative, successful reform

process. In fact, a culture of consultations and openness to listen to alternative points of view is critical for the well informed decision making and for translating god intentions into sustainable actions.

Your team should naturally consist of your senior advisers, the heads of departments, those responsible for the daily operations of the Unit your “team” is rather the staff members immediately surrounding you in your EO and who not only lack any line authority but also the deep knowledge of United Nations operations that the daily leadership and responsibility over operations ensure. Being surrounded by these staff members, some of whom you knew well even before joining the United Nations, certainly may give you comfort and confidence, but rather of an illusory character. The EO is not in a position to give you the substantive and relevant information from the United Nations operations that you need to assume the leadership role, but may rather on the contrary serve to “protect” you from bad or disturbing news from the Organization. In the long run the absence of such relevant information, and such “protection”, although with the best intentions, serves you poorly. This situation isolates you from the operations of the United Nations and distances you from the line managers, your natural allies in the Secretariat, and from access to their knowledge and experience.

In fact, it is very clear to me, that you look upon yourself as being *above and separate* from the Secretariat and its senior line managers, the USGs. As a sort of a President of the organization, not the CAO with the ultimate responsibility for the performance of the Organization. You therefore even find it natural to – openly - blame your senior advisers as a collective for shortcomings of the performance of the Organization, for not articulating the interest of the Organization, for being shortsighted and lacking perspective, “not protecting you” (Yes, the short perspective is provided by you through the one year’s contracts); not seeing that you yourself, Mr Secretary-General is the one to blame. You should in fact blame yourself for these shortcomings. You are the CAO and responsible for the strategic guidance and leadership of the Organization. You are the one responsible for providing perspectives and a way forward and to ensure a coherent approach. Without such leadership the Organization will fail and is already in a process of weakening.

You are the CAO, the leader of the Secretariat, and by distancing yourself from your close advisers, the USGs, you risk making yourself a captive of your advisers in the thinner air of diplomacy and to more or less excellent speech-writers in your EO. You have thereby allowed yourself to be the messenger rather than the manager – representing the organization in a ceremonial sense but not embodying it by virtue of insight and experience of the Organization’s operations. A messenger of others’ statements rather than the authoritative manager, the CAO.

You chose to ask all of Kofi Annan’s senior advisers to offer their voluntary resignation. Within a year they were basically all gone. The Secretariat lost invaluable knowledge and experience around the Secretary-General.

With the exception of the USG/OIOS, you have selected your senior management team. They have been offered and accepted short term contracts, scaled in the ambition to “change the culture and mindset of people” – two years to start with, then extension for one year. Being on short term contracts invariably also fosters dependency and a culture of compliance instead of one where strongly articulated views are appreciated. Certainly, such a culture is not conducive for progressing reforms. It rather erodes the vitality of the Organization and therefore tends to undermine its relevance and legitimacy. Your instructions are carried out without further questioning of the rationality: “The Secretary-General wants it”, full stop. Such a culture is not a sign of strong leadership, it is the opposite. In such a culture good intentions for the organization will not be translated into the actions that produce positive results.

You obviously do not use the SMG meeting as the natural hub around which to build your other appointments or engagements. The meetings may take place while you are not travelling, are scheduled at different points of times and may just as well be cancelled and often at extremely short notice. The message is that you are looking upon these meetings as less important than most other things around you, including “photo ops”. The fact that they are not held on a regular basis, per se makes them irrelevant as a forum for consultation and confirmation of strategic directions.

The mobility policy was stopped - now staff shall have permanent contracts

It was announced in early May over i-Seek that the

“Secretary-General has committed to undertake a one-time review of staff members who are eligible for consideration for permanent appointment as of 30 June 2009, for purposes of protecting staff member’s acquired rights and to implement former staff rules 104.12 and 104.13. The Secretary-General has announced his policy through Secretary-General’s Bulletin ST/SGB/2009/10”.

It was further announced that by that date some 300 contracts had been completed but there were **5,000 more to go**.

It looks like the left hand in the Organization does not know what the right hand is doing. This measure has been undertaken during a period when there is downsizing of peacekeeping activities in MONUC, and MINURCAT, for example. To implement such a reform in times of drawing down of activities potentially exposes the Organization to great risks of having more staff than necessary to implement its mandate. Although there is no direct contradiction between mobility requirements and permanent contracts for staff, it signals that the Organization does not have a well thought through human resources policy; instead, it pushes through ad-hocism in the name of reforms. Mindful of this potential reduction in United Nations activities, OIOS is cautious about filling its vacancies. Which reflects poorly on my performance as committed in my compact, that requests me to fill all vacancies in an expeditious manner.

The General Process of the Appointment of Senior Staff in the Organization

In the risk assessments that OIOS carried out in course of 2009, the recruitment process of senior positions in the Organization stood out as a matter of concern. OIOS audit of this process is ongoing.

The strong leader leads the organization through strategic guidance and support of and dialogue with his senior managers. However, as part of that command and control style of yours, that I have addressed earlier in my report, you rather take recourse to the most primitive method of managing, namely to take control of the appointments in the organization.

You are seen as rather uninterested of the operations of the UN and the strategic management of them. Instead of taking the strategic lead to exercise oversight of the operations, you take recourse to controlling the appointments of directors and other senior staff further down. Such an approach is the most primitive form of all management styles: it is to substitute partial and command control for true leadership. It is not only flawed as a control instrument, but more important; such "leadership" is harmful to the Organization in different respects. Above all it undermines and even usurps the authority and the position of the USGs. It also demoralizes further down the merit based appointment processes as stipulated in the Charter. It is well known what it means when the EOSG wants more candidates to be interviewed and added to the short-list in the process established. The proof comes when the last interviewed candidate is finally selected. Such damage to the integrity of a core process in the Organization is extremely harmful to the moral of the Organization and a significant contribution to the gradual decay of the Organization.

The appointment of the USG/OIOS

It has been known for five years that my term will come to an end on 14 July 2010. The General Assembly Resolution (48/218/B) establishes the procedure, implying that the "USG/OIOS shall be appointed by the Secretary-General, following consultations with Member States, and approved by the General Assembly"

Today, on 14 July, my successor has still not been appointed, let alone been approved by the General Assembly. This inevitably means that there will be a lacuna for several months in the permanent leadership of OIOS, the core function to assist the Secretary-General in his capacity as the CAO. This situation is allowed to exist at the same time as your interference in the process of appointing the Directors in OIOS has left OIOS without senior regularized leadership in core functions of the office now for lengthy periods of time.

Last November you assured the General Assembly that at the end of April 2010 you would submit for their approval the name of the proposed candidate, and that the

candidate would be informed of the decision by the General Assembly at the end of May and able to assume his/her functions in July.

Both the “long list” and the shortlist of candidates – established after the interview and evaluation process - consist of professionally qualified candidates. It is therefore difficult to understand why a candidate has not yet been identified for selection and why there would be need for additional names. A prolonged selection process sends signals of lack of transparency – to candidates and others.

Your handling of the appointment of the USG/OIOS – as well as the Directors’ positions - shows lack of responsibility for the operations not IOS but of the Organization as such.

The prolonged selection process in creating a vacuum of leadership in OIOS also sends the signal that the Organization under your leadership is not serious about oversight, and by extension about accountability.

Create the Department for Management Support!

Leading and managing the Secretariat and managing its reforms is ultimately your responsibility. Such responsibility cannot be delegated down in the organization. Reform processes pertaining to the organization as a whole, and permeating the organization can only successfully be handled at your level. And in particular it cannot be dumped down on DM as their responsibility. The USG/DM is not the right level to ensure implementation of organization wide reforms. In fact, no USG is. The last years’ experience of the efforts of establishing an accountability framework and an internal control framework in the organization is proof of the fact that management as such, reforms in management, change management proposals cannot be delegated to DM. Placing the responsibility of an accountability framework, including risk management, solely on and in the DM is a dead end. Such a reform process – and others of its kind – must permeate the organization, it must be introduced under comprehensive and wide consultations with senior management; in fact the reform process should be owned by them as they, under your guidance and ultimate responsibility, would be the ones responsible for implementing reforms.

Reform of the Secretariat requires your solid commitment and active participation. The process responsibility is and must be at your level.

In this respect I have a suggestion that may at the face of it seem insignificant, but which I regard to be of some importance: The name of Department of Management, Mr. Secretary-General - re-name it! Name it what it really is or should be: The Department for Management Support (DMS) – the department to support you in your role as the CAO and to support all other managers in discharging their mandates responsibly.

The spell and power of words on thinking are significant. “Department of Management” implies that this is the place where management is done, that the function of managing the Secretariat is the responsibility of the USG/DM. This interpretation is strongly confirmed by how management “reforms” - be it in human resources management or in other respects – happen in the Secretariat. Management reforms are basically seen as being in the interest of and under the responsibility of DM only. The “mobility reform” – which I have just discussed – is an excellent example of this interpretation and approach, and so is the Accountability Framework Approach.

However, Mr. Secretary-General, you are the one responsible for managing the Secretariat. All functions in the Department of Management are in fact support functions to you and to the line departments – human resources management, procurement, facilities management, budgeting and accounting, etc. To give the Department a new name is also to clarify its role and perspective: that it is a service function established to service the substantive departments. The establishment of DFS (Department of Field Support) is an interesting example of this approach, DFS is established to service the missions and its tasks and commitments are clarified in service agreements with DPKO.

Establish a proper clearance procedure for your decisions!

The clearance procedure/signing off procedure leading to your decisions is utterly dysfunctional. In a note to you I have recommended you to request OLA to establish proper procedures and to be inspired by procedures established in Member States Governments’ offices.

Mr. Secretary General, the reform process is your responsibility and requires your active involvement. This is also how the recommendations by ACABQ and the conclusion of the General Assembly on the Accountability report now read.

To pursue this essential reform in the Secretariat – leading the process of establishing the Accountability Framework, including an Internal Control Framework, and other reforms would require you to “chair(ed) many of the working groups set up on various administrative, personnel and financial issues, and (write) numerous papers spelling out(your) analysis of the problems and potential solutions “

The Global Condominium is faltering

The United Nations was envisaged as an institution not to represent merely the interests of each and every member state but to be something more; to have an impact in the world greater than the sum of that of its individual member states; it was established to fulfil a call to guarantee rule-of-law and ethics in world affairs. Dag Hammarskjöld referred to the United Nations as “a secular church of ideas”. When ideas of rule-of-law and ethics, its core values, in world affairs the United Nations may be seen as and in

fact represent a moral power in the world, representing the international community in a way that transcends the interest of any particular member state.

The United Nations is not expected to be a world Government, not even to solve or arbitrate all conflicts in the world. However, I dare say that the Member States – be they the P5 or the others - would like to see a United Nations that is seen as a strong partner in world affairs. A body that has stature and legitimacy as a consequence of its appreciated performance and its strong leadership, in short, the moral power necessary to actively and positively contribute in conflict resolution in the world. In fact, without that particular “moral power”, the United Nations is nothing. It is not a state, as its Member States – it is created as something different and has to be something different to justify its existence; its moral power is its secret.

The moral power of the United Nations is embodied in the Secretary-General. The Secretary-General is the CAO of the Organization; he is responsible to uphold its core values, to ensure that United Nations operations are effectively and efficiently carried out; to ensure that the Organization strives to reform and progress and therefore seen as relevant. The Secretary-General is in this respect responsible for his activities and for his performance. You acknowledged solemnly this responsibility in the French part of your Acceptance speech:

“ Je serai entièrement responsable de la gestion du Secrétariat”.

According to the Charter the powers of the Secretary General are relatively restricted – the Secretary-General is the CAO, not the CEO. However, it is very clear that the moral stature of the Secretary General is of decisive importance for how the Organization is functioning and perceived to function.

The Organization is fortunate to have a mission statement with the highest aims, the Charter. However, we also need clearly stated and comm and a relentless stress on our core values as the basis for establishing strategies and work plans and for daily work

Who translates the Charter into strategies and objectives of work?

Your seven strategies for 2010 presented to the General Assembly in January are based on the forthcoming meetings/conferences planned ahead for your attendance, but not on a coherent vision or any substantive analysis of the challenges ahead.

In a later statement in March – your strategic priorities are different.

We perceive that your priorities change over time – from climate, to food crisis, to Africa, to disarmament, to women’s health....The impression is that it is pretty crowded at the top of your priorities

Instead of a consequential stress and follow up of the MDGs – which in a systematic way cover the World’s problems – and a follow up of the “Investing in the United Nations, we see different priorities being aired and in various constellations or philosophies.

There is a lack of coherent vision and active work for the Secretariat and for the Organization as a whole.

Weakening of the Secretariat leads to reduced relevance of the Organization

I have in my report presented some suggestions of how to improve the Organization in different respects. However, the response to the question I put on the first page:

Is the United Nations Secretariat now on the right path, more transparent, more accountable?

is in my opinion regrettably : **No**

There is no transparency, there is lack of accountability. Rather than supporting the internal oversight which is the sign of strong leadership and good governance, you have strived to undermine its position and to control it. I do not see any signs of reform in the Organization.

The Secretariat staff and its senior managers expect the Secretary-General to take the lead, and the reins, to manage the Secretariat.

However, my conclusion is rather that you have in fact abdicated from the core role – or rather never assumed it - as conferred upon the Secretary-General in the United Nations Charter: to be the CAO, to assume the responsibility to manage and lead the Secretariat. It is obvious to me that you see your role as *distinct from* the Secretariat and *above the Secretariat*, some sort of a President. You have instead assumed a role of *representing* the organization in a ceremonial sense, stepping on the red carpets and reading out loud what others around you wrote, but not *embodying* the organization in virtue of enlightened and experienced leadership, perceived and felt as strong, conveying a message integrated in and created in your own mind.

Lack of a pronounced and coherent vision or an agenda for the Organization also translates into the absence of interest or efforts to enhance and support progress in the Secretariat. Lack of visionary leadership or visionary agenda, also effects the daily operations You are the CAO and responsible for the strategic guidance and leadership of the Organization. You are the one responsible for providing perspectives and a way forward and to ensure a coherent approach. Without such leadership the Organization will fail and is already in a process of weakening. Weak leadership of the Secretariat has also effects on the relations between the General Assembly and the Secretariat, roles are

blurred and there is no strong and articulate voice to represent and support the position of the Secretariat as the executive body and accountable to the General Assembly, in its dialogue with the General Assembly.

I regret to say that the Secretariat now is in a process of decay. It is not only falling apart into silos - the Secretariat is drifting, to use the words of one of my senior colleagues. It is drifting into irrelevance. The absence of strategic guidance and leadership manifests itself not only through failure to bring about change and reform of the Organization; it also manifests itself as a sort of an “adhocracy”; disintegrated and ill thought through “reforms” are launched without adequate analysis and with lack of understanding and a holistic view. The proposed mobility reform is but one of the various initiatives recently put forward by the Secretariat, including strategic work force planning, continuing contracts, substituting the NCE-system for something else, accountability framework, enterprise resource planning, internal control framework. While there is an obvious requirement to integrate all of these initiatives to create a fully accountable and well-performing organization, no such attempts are made.

Rather than supporting and strengthening the USGs, your senior advisers, as partners in discharging your responsibility to manage the Secretariat, you are undermining their authority both by affording them short - one-year - mandates and also by exercising your direct authority over the appointments of their staff. This situation has of course negative effects on the operations of the organization. Undermining the USGs authority of appointments certainly also makes the compacts more or less irrelevant as there is no more any congruity between responsibility and authority. Such damage to the integrity of a core process in the Organization is also extremely harmful to the moral of the Organization and a significant contribution to a gradual decay.

Rather than supporting OIOS as an important part of a well performing organization and as the office especially established to assist you in the discharge of your responsibilities as the CAO, you have strived to control it which is to undermine its position. I have explained in the report in great detail the basis for this conclusion on this serious issue.

The weakening of the Secretariat and its position in the eyes of Member States also translates into a weakening of the overall position of the United Nations, a reduced relevance of the organization.

We can regrettably see this decline over a broad scale – from small things to more important: the restricted access of Staff Members and the United Nations Spokesperson from Security Council’s deliberations, that we are requested and finally forced to withdraw from MONUC and MINURCAT in spite of expressed concerns of the consequences for the humanitarian situation on the ground. Is there any improvement in general of our capacity to protect the civilians in conflict and distress? What relevance do we have in disarmament, in Myanmar, Darfur, Afghanistan, Cyprus, G20....?

I am concerned that we are in a process of decline and reduced relevance of the Organization. In short – we seem to be seen less and less as a relevant partner in the resolution of world problems. This inevitably risks weakening the United Nations’ possibilities to fulfil its mandate. Ultimately that is to the detriment of peace and stability in the world. This is as sad as it is serious.

Thank you, Mr. Secretary-General, for your attention.

“Never for the sake of peace and quiet deny your own experience or convictions”

New York 14 July 2010



Inga-Britt Ahlenius