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Human resources management

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Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the following reports of the Secretary-General:

- (a) Composition of the Secretariat: staff demographics (A/66/347);
- (b) Practice of the Secretary-General in disciplinary matters and possible criminal behaviour (A/66/135);
- (c) Personal conflict of interest (A/66/98);
- (d) Activities of the Ethics Office (A/66/319).

2. During its consideration of these reports, the Advisory Committee met with the representatives of the Secretary-General, who provided additional information and clarification.

II. Composition of the Secretariat

3. The report of the Secretary-General, entitled “Composition report: United Nations Secretariat staff demographics” (A/66/347), which covers the period from 1 July 2010 to 30 June 2011, is submitted pursuant to various resolutions concerning human resources management, the most recent of which are resolutions 57/305, 59/266, 60/238, 61/244, 63/250 and 65/247. The Secretary-General’s latest report provides statistical information on important demographic characteristics of the Secretariat and on the system of desirable ranges. The Advisory Committee notes that, in response to the observations contained in paragraph 90 of its previous report on human resources management (A/65/537), the Secretary-General has added a



new table that provides information on the distribution of Secretariat staff at the D-1 level and above, by economic grouping and gender, from 30 June 2007 to 30 June 2011 (A/66/347, table 8).

4. The Advisory Committee has previously pointed to the need for trend analysis to help the reader to grasp the meaning of the statistical data and tables provided in the report. **The Committee therefore reiterates its recommendation that the Secretary-General supplement the raw data presented with analysis of demographic trends and the underlying reasons for these trends (see also A/65/537, para. 89).**

5. The Advisory Committee notes from table 1A in the annex to the report (A/66/347) that the goal of gender parity in the Secretariat continues to be elusive, with women representing as at 30 June 2011 only 33 per cent of the staff and 40 per cent of the staff in the Professional category and above, which reflects no change from the previous reporting period. In this regard, the Committee recalls section X, paragraph 4, of General Assembly resolution 63/250, in which the Assembly requested the Secretary-General to increase his efforts to attain the goal of gender parity in the Secretariat, in particular at senior levels, and in this context to ensure that women, especially those from developing countries and countries with economies in transition, are appropriately represented within the Secretariat. **The Advisory Committee reiterates its opinion that greater efforts should be made by the Secretary-General to improve the representation of women, in particular at the senior levels.**

6. The Advisory Committee also notes that the report reflects a significant shift in the data for staff subject to the system of geographic ranges in the 2011 reporting period in comparison with 2010. The number of United Nations staff having geographic status decreased from 2,886 in the period ending 30 June 2010 to 2,049 in the period ending 30 June 2011 (A/66/347, table 2). The Secretary-General attributes this change to the implementation of General Assembly resolution 65/247, which provides that geographic status is retained only when staff members serve against a geographic post, except those recruited under the young professionals programme (A/66/347, paras. 36-37).

7. The report indicates that of the 3,376 posts subject to geographic distribution in the reporting period, 2,049 posts were encumbered by staff having geographic status; 348 posts were vacant; 403 posts were temporarily encumbered; 145 posts were encumbered by staff with limited appointments; and 431 posts were encumbered by staff who were not geographically defined and under review (A/66/347, footnote 9). Upon enquiry, the Advisory Committee was informed that as at 12 September 2011 a total of 242 eligible candidates remained on the roster from national competitive recruitment examinations held in 2006-2010. **The Advisory Committee is concerned that approximately 40 per cent of the posts subject to the system of geographic ranges are not encumbered by staff having geographic status. The Committee urges the Secretary-General to ensure that the recruitment of candidates is carried out in accordance with the established recruitment procedures, including through the use of the national competitive recruitment examination roster, which has been replaced by the young professionals programme. The Committee further requests the Secretary-General to provide comprehensive information on measures taken to address the high number of posts encumbered by staff having no geographic status in his report on human resources management to be considered at the sixty-seventh session of the General Assembly.**

8. The Secretary-General further indicates in the report that, using the criteria for defining staff subject to desirable ranges prior to the adoption of resolution 65/247, 12 Member States were unrepresented in the Secretariat and 31 were underrepresented as at 30 June 2010. However, with the application of the criteria adopted in resolution 65/247, 20 Member States were unrepresented and 56 were underrepresented as at 30 June 2011. The Advisory Committee notes that the total number of unrepresented and underrepresented Member States has increased from 43 at 30 June 2010 to 76 at 30 June 2011 (A/65/350, table 1; and A/66/347, table 1). **The Advisory Committee requests the Secretary-General to provide further details on the magnitude of the impact of the implementation of resolution 65/247 on the representation status of Member States on posts subject to geographic distribution within the Secretariat in the context of the report on human resources management to be considered at the sixty-seventh session of the General Assembly.**

9. The Secretary-General indicates that the first release of an online reporting tool, "HR Insight", was made available to permanent missions in August 2011 (A/66/347, paras. 4-6). The reporting tool is based on the human resources data warehouse and retrieves information from other human resources systems, including the Integrated Management Information System (IMIS) and Nucleus. Member States will now have access to reports that provide information similar to the composition report, including the statistical tables showing desirable ranges. Upon enquiry, the Advisory Committee was informed that the information made available to permanent missions on the website would be updated on a monthly basis and limited to the level of information usually provided in the restricted staff list document and in the individual reports hitherto provided to permanent missions at their request. The Committee was also informed that in order to maintain the confidentiality of data, access to HR Insight would be given to focal persons designated by the permanent missions whose status could be confirmed through the Protocol and Liaison Service. **The Advisory Committee welcomes the introduction of the HR Insight tool, which should improve access by permanent missions to information on staff representation in the Secretariat. The Committee expects that the Secretary-General will ensure that the integrity of the sensitive data contained in HR Insight is protected.**

III. Practice of the Secretary-General in disciplinary matters and possible criminal behaviour, 1 July 2010 to 30 June 2011

10. The report on the practice of the Secretary-General in disciplinary matters and possible criminal behaviour (A/66/135) is submitted in response to General Assembly resolution 59/287, in which the Assembly requested the Secretary-General to inform Member States on an annual basis about all actions taken in cases of established misconduct and/or criminal behaviour and the disciplinary action, and, where appropriate, legal action taken in accordance with established procedures and regulations. The report provides a broad overview of the administrative machinery in disciplinary matters, including the legislative framework governing the conduct of staff members, a summary of the cases in respect of which the Secretary-General imposed a disciplinary measure during the reporting period and information on the practice of the Secretary-General in cases of possible criminal behaviour.

11. The Secretary-General indicates in paragraph 6 of his report that article X of the Staff Regulations and Rules provides, in regulation 10.1 (a), that “the Secretary-General may impose disciplinary measures on staff members who engage in misconduct”, and that staff rule 10.1 (c) provides that “the decision to launch an investigation into allegations of misconduct, to institute a disciplinary process and to impose a disciplinary measure shall be within the discretionary authority of the Secretary-General or officials with delegated authority”. The report also states that the Secretary-General has broad discretionary authority in determining what constitutes misconduct and in imposing disciplinary measures.

12. The Advisory Committee notes that in the cases described in paragraphs 16 to 72 of the report, divergent disciplinary measures have been imposed in respect of apparently similar instances of misconduct. The representatives of the Secretary-General informed the Committee that the need to maintain confidentiality regarding the details of the individual cases required a limit in the amount of information contained in the report on both mitigating and aggravating circumstances. It was explained that such factors as the existence of a history of previous misconduct, as well as the level of delegated authority and managerial responsibility of the person charged with misconduct, might also impact on the severity of disciplinary measures eventually imposed. The Committee recalls resolution 59/287, in which the General Assembly requested that, in case of proven misconduct and/or criminal behaviour, disciplinary action and, where appropriate, legal action in accordance with the established procedures and regulations, would be taken expeditiously. **The Committee expects that the Secretary-General will ensure that disciplinary measures are imposed in a fully consistent manner and in proportion to the seriousness of the misconduct and/or criminal behaviour.**

IV. Personal conflict of interest

13. The report of the Secretary-General on personal conflict of interest (A/66/98) is submitted pursuant to General Assembly resolution 65/247, by which the Secretary-General was requested to provide to the Assembly for its consideration at the main part of its sixty-sixth session a comprehensive report on conflict of interest, including a contemporary analysis of what constitutes personal conflict of interest, as well as legal, management and mitigation aspects. The report also presents an overview of the main types of conflict of interest faced by staff of the Organization, the regulatory framework currently applicable to United Nations staff members, including current definitions, legal implications and mechanisms established to manage and mitigate existing or potential conflicts of interest.

14. The Secretary-General indicates that risks of conflict of interest can generally be found at two levels: (a) as organizational conflict of interest; and (b) as personal conflict of interest. The report focuses on personal conflict of interest, in accordance with the emphasis on this subject matter in the request by the General Assembly contained in its resolution 65/247 (A/66/98, para. 4). The current regulatory framework includes provisions governing actual or potential conflicts of interest, including staff regulation 1.2 (m) and staff rule 1.2 (p). The Advisory Committee recalls the Secretary-General’s earlier proposal to amend staff regulation 1.2 (m) to expand the scope of the definition of conflict of interest to provide for a definition that is not limited to financial interests (see A/65/213, annex; see also A/66/98, para. 9). The Assembly, in paragraph 75 of its resolution 65/247, decided to defer the issue

until its sixty-sixth session. **The Advisory Committee reiterates its previous recommendation in support of the proposed amendment to staff regulation 1.2 (m) (see A/65/537, para. 87).**

15. In his report the Secretary-General states that the current regulatory framework includes provisions governing actual or potential conflicts of interest arising from financial interests, personal relationships between staff members and other stakeholders, the receipt of honours, decorations, favours, gifts or remuneration by third parties, as well as parameters addressing conflicting loyalties that may result from outside employment or occupation or other outside activities, including political activities (A/66/98, para. 8). **The Advisory Committee underlines the importance for all staff members to act in a manner that is compatible with their status as international civil servants and encourages the Secretary-General to ensure that staff members abide by the applicable regulatory framework, in accordance with the relevant provisions of the Charter.**

16. The Secretary-General indicates that the financial disclosure programme focuses mainly on potential financial conflicts of interest and is complemented through established schemes addressing regulated types of conflict of interest (A/66/98, para. 45). Where personal conflicts of interest are not disclosed under the financial disclosure programme or other schemes, however, the Secretary-General notes that the Organization remains subject to potential liabilities and reputational risks (A/66/98, para. 46). The comments and recommendations of the Advisory Committee on the financial disclosure programme are contained in the relevant section of the present report on the activities of the Ethics Office (see paras. 17-38 below). **The Advisory Committee underscores the importance of the financial disclosure programme as a means of mitigating the risk of personal conflicts of interest.**

V. Activities of the Ethics Office

17. The Advisory Committee recalls that the Ethics Office was established as an independent office within the Secretariat following the adoption of resolution 60/1 by the General Assembly at the 2005 World Summit. The Office commenced operation on 3 January 2006. Pursuant to Secretary-General's bulletins ST/SGB/2005/22 and ST/SGB/2007/11, the main responsibilities of the Office include administering the financial disclosure programme; undertaking the responsibilities assigned to it under the Organization's policy for the protection of staff against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations; developing standards, training and education on ethics issues, in coordination with the Office of Human Resources Management and other offices, as appropriate, and conducting ethics outreach; providing confidential advice and guidance to staff on ethical issues (e.g., conflicts of interest), including administering an ethics helpline; and supporting ethics standard-setting and policy coherence.

18. The sixth annual report on the activities of the Ethics Office for the period from 1 August 2010 to 31 July 2011 (A/66/319) is submitted in accordance with General Assembly resolution 60/254, by which the Assembly requested annual reporting on the activities of the Office and the implementation of ethics policies. The report provides an overview and assessment of the work, services and achievements of the Office during the reporting period in relation to its areas of

responsibility, which are outlined in the preceding paragraph, as well as its long-term strategic focus. The report also includes information on the activities of the United Nations Ethics Committee and the United Nations Ethics Network, pursuant to General Assembly resolution 63/250.

19. In paragraphs 69 to 84 of his report, the Secretary-General makes proposals regarding future arrangements for the financial disclosure programme, as requested by the General Assembly in paragraph 1 of its resolution 62/236. The proposals are discussed in more detail in paragraphs 34 to 38 of the present report.

Overall activity in 2010-2011

20. In paragraph 7 of the report, the Secretary-General indicates that the Ethics Office received 766 requests for its services in the period from 1 August 2010 to 31 July 2011, which represents an increase of 78 per cent in the number of requests received by the Office compared to the average for the preceding three reporting periods (A/66/319, figure 1). The Advisory Committee notes that, of the service requests received, 70 per cent were for ethics advice, while the rest were split between training, protection against retaliation, alerts for possible retaliation, policy coherence, standard setting and policy input, due diligence in procurement and general information. The Secretary-General further explains that most of the requests (43 per cent) were received from offices and personnel based in New York, although there was also a 9 per cent increase in requests for services from locations away from Headquarters.

21. The Advisory Committee was informed that there had been a renewed focus on staff outreach during the 2010-2011 reporting period. It is indicated in paragraph 34 of the Secretary-General's report that the Ethics Office undertook field visits to United Nations missions and offices in the Democratic Republic of the Congo, Liberia, the Syrian Arab Republic, Jordan, Lebanon and Geneva. It was also explained that, in the course of these visits, the Office interacted with over 900 staff members and made 54 ethics presentations compared with the 8 presentations in the 2009-2010 reporting period. The Committee was further informed that the increase in requests for the Office's services, indicated in paragraph 20 above, as well as the increase of 155 per cent in requests for services from peacekeeping operations, might be attributable to the intensified outreach efforts undertaken during the period.

22. In paragraph 26 of his report, the Secretary-General indicates that the Ethics Office received 55 requests for protection against retaliation in 2010-2011, representing an increase of 56 per cent compared with the 36 requests for the 2009-2010 period. According to the report, it was determined that 14 of the cases warranted preliminary review, while 41 did not. It was further explained to the Advisory Committee that the Office had concluded its review of 11 of the 14 cases, with 1 of the 11 cases being referred for investigation subsequent to a prima facie finding of retaliation. The review determined that, among the remaining cases, there was no prima facie case of retaliation for 9 of the cases, while 1 request for protection was withdrawn by the complainant. The Office also facilitated interim protection measures for two retaliation complaints, one of which was from the 2009-2010 reporting period (A/66/319, para. 29). One case involved the transfer of a staff member to another United Nations office, while the other involved the reassignment of the complainant within the same office.

23. **The Advisory Committee commends the outreach efforts undertaken by the Ethics Office and notes the significant increase in the volume of service requests handled by the Office. However, the Committee is of the view that the reported increase in volume of service requests received and the number of cases reviewed are not sufficient indicators to determine fully whether the objectives of promoting high standards of integrity and a culture of ethics are being achieved. The Committee therefore requests the Secretary-General to devise appropriate evaluation criteria for this purpose.**

24. Pursuant to Secretary-General's bulletin ST/SGB/2005/21, it is indicated in paragraph 30 of the Secretary-General's report that the first alternative investigation panel was established during the 2010-2011 reporting period to investigate a prima facie finding of retaliation on the basis that a conflict of interest would be created if the Office of Internal Oversight Services were to conduct the investigation. It is further indicated that the panel completed its investigation within the stipulated time frame. In this connection, the Advisory Committee notes that the establishment of an alternative investigation panel is consistent with the Committee's comments contained in paragraphs 102 and 103 of its report on human resources management (A/65/537).

25. As part of the efforts to promote a culture of ethics, the Secretary-General indicates, in paragraph 41 of his report, that the Ethics Office has developed a briefing package on ethics for all incoming senior managers at the Assistant Secretary-General and Under-Secretary-General levels. He indicates that the briefing materials are tailored to the respective roles and responsibilities of the senior managers, addressing ethical considerations pertaining to, inter alia, responses to reports of misconduct, avoiding conflicts of interest and ensuring transparency in recruitment practices and performance evaluations. **The Advisory Committee welcomes this effort to promote a culture of ethics at the senior management level. The Committee is of the view that the ethics briefing should be mandatory and should be extended to incoming senior managers at the D-1 and D-2 levels as well.**

26. Paragraph 60 of the Secretary-General's report indicates that the United Nations Ethics Committee, established by the Secretary-General in bulletin ST/SGB/2007/11, is mandated to establish a unified set of ethical standards and policies of the Secretariat and of the separately administered organs and programmes, and to consult on certain important and particularly complex cases and issues having United Nations system-wide implications. **Given that the Ethics Committee is made up of the separately administered organs and programmes of the United Nations and the Ethics Office of the Secretariat, and is therefore not an intergovernmental mechanism, the Advisory Committee is of the view that it should be renamed appropriately.** The Secretary-General also indicates that, during the reporting period, the Ethics Committee held eight sessions, in line with its priorities to enhance a coherent application of ethics standards and practices among member organizations, and to address emerging ethics challenges facing the Organization. To that end, the Ethics Committee members developed a common approach and guidance note on political activity applicable to United Nations personnel, including those in the Secretariat, funds and programmes, and field missions.

Financial disclosure programme

27. In paragraphs 69 to 84 of his report (A/66/319), the Secretary-General lays out his proposals for the future of the financial disclosure programme. The Advisory

Committee was informed that the programme was a means of identifying, managing and mitigating conflict of interest risks in order to strengthen public trust in the integrity of the Organization, while protecting the confidentiality and privacy of personal information. Pursuant to Secretary-General's bulletin ST/SGB/2006/6, designated staff, including all staff at the level of D-1 and above and those involved in procurement and investment, are required to file annual disclosure statements.

28. The Advisory Committee was informed that the programme had three main components:

(a) The review function, which currently relies upon the financial expertise of an external vendor to review all the disclosed information;

(b) The information technology platform, an application administered by an external vendor whose duties also include maintaining security and functionality, with some support provided by the Office of Information and Communications Technology (see paras. 35-36 below);

(c) The verification (audit) function, based on a random selection of participants to provide third-party documentation to ensure the accuracy and completeness of the disclosed information.

29. The Advisory Committee was further informed that the number of staff who were required to file annual disclosure statements had grown from 1,704 at the inception of the programme in 2006, to approximately 4,200 in 2011, representing a 139 per cent increase. According to the representatives of the Secretary-General, that population was expected to grow further to 4,400 staff. It was also indicated that for the filing cycle that closed on 31 December 2010, 102 participants had had a total of 150 potential conflict of interest situations that had been addressed by the Office through consultation and advice. In addition, 191 participants had been selected for random verification. It was further indicated that by the close of the filing cycle, 34 staff members had failed to comply with their obligations to file financial disclosure statements and had been referred to the Office of Human Resources Management for action. **Considering the efforts undertaken to create awareness of the financial disclosure programme among the staff and the procedures that have been established to support compliance, the Advisory Committee expects that this would translate into full compliance with the filing obligations.**

30. The Advisory Committee was informed that the cost per file submitted for external review had decreased from \$534.38, at the inception of the programme in 2006, to the present fee of \$397. The Committee was also informed that the most dominant factor underlying the increase in the overall cost of the programme was the growing size of the filing population referred to in the preceding paragraph, not the vendor-related costs. The Committee was further informed that the existing contracts with the external vendors, for the review of financial disclosure statements and for the maintenance of the information technology platform, would expire on 31 January 2012. Moreover, the Committee was informed that, pending consideration and a decision by the General Assembly on the future arrangements of the financial disclosure programme, the Ethics Office had requested that those contracts be extended for a period of 12 months to ensure the continued functioning of the programme. The Committee was also informed that at the expiration of the extension, the procurement process for new contracts would be initiated.

31. Notwithstanding the reported decrease, the Advisory Committee is of the view that the cost of \$397 per file reviewed is still high. The Committee encourages the Secretary-General to explore all available means of obtaining these services at a lower cost without compromising confidentiality, including the possibility of offshore outsourcing. In addition, the Committee is of the view that cost efficiencies could be achieved from having both the review function and information technology platform administered by the same vendor. In that connection, the Committee encourages the Secretary-General to consider the possibility of consolidating the review function with the information technology services when defining the requirements for the programme during the forthcoming procurement exercise.

32. Upon enquiry as to the possibility of changing the periodicity of filing financial disclosure statements from an annual cycle to a two-year cycle, the Advisory Committee was informed that first-time filers constituted about one third of the total financial disclosure programme filing population per the current annual cycle, while the remaining two thirds were mainly returning filers. It was indicated that a change to a two-year review cycle would result in one third of the total filing population filing each year as new entrants and the remaining two thirds could be split so that one half would file disclosures each year on a rotating basis. For purposes of illustration and assuming a filing population of 4,400 staff, the number of filers could be reduced from 4,400 to 2,933. The Committee was also informed that the recurrent operational costs, such as server hosting, staffing and information technology maintenance, would not be affected by the change, hence cost savings would be realized in terms of a reduction, by one third, in the number of files for external review. The Committee was further informed that while that arrangement might save the Organization approximately \$523,719, the risk of conflict of interest would remain unmitigated for approximately one third of the filing population in any given programme cycle. **While the Advisory Committee notes the savings that could be achieved from changing the filing periodicity, it accepts the retention of the existing annual filing cycle at this time. The Committee recommends that the matter of filing periodicity be kept under review bearing in mind the Organization's risk profile.**

33. With regard to the criteria for filing financial disclosure statements, the Advisory Committee was informed that while the Ethics Office issued the guidelines, it was the heads of department or office who determined which staff were required to file, as stipulated in paragraph 2.2 of Secretary-General's bulletin ST/SGB/2006/6. This arrangement therefore limited the ability of the Ethics Office to control the size of the filing population which, as indicated in paragraphs 30 to 32 above, is a key determinant of the overall cost of the programme. In this connection, the Committee was informed that there was a need to review the filing eligibility criteria and to focus on higher risk groups in order to control the overall cost increases. The Committee was also informed that one of the possible ways to achieve that goal was to reassess the Organization's risk profile and reconsider the scope of the guidelines regarding filing eligibility criteria. **The Advisory Committee recognizes the importance of aligning the filing eligibility criteria with the Organization's risk profile in order to optimize the effectiveness of the programme and to control its overall costs. In this regard, the Committee supports a review of the programme's regulatory framework in order to accord**

the Ethics Office a greater role in determining the filing population and to formulate a more focused set of eligibility criteria.

Proposed future arrangements for the financial disclosure programme

34. In paragraph 70 of his report the Secretary-General indicates that during the course of 2009-2010, an analysis of the financial disclosure programme had been undertaken both within the Organization and by a commissioned third-party study. He further indicates that the study identified a range of technical alternatives for the sustainability of the programme. Subsequently, the Secretary-General, pursuant to General Assembly resolution 62/236, convened a High-level Advisory Group in September 2010 consisting of senior personnel from various offices within the Secretariat, to provide advice and guidance on the approach to reviewing alternative arrangements for the financial disclosure programme. The Advisory Group reviewed, inter alia, existing arrangements, alternatives presented in the study and other possible alternatives, in order to determine the most feasible arrangement for consideration by the Secretary-General. **The Advisory Committee recalls paragraphs 98 and 99 of its report on human resources management (A/65/537), on the need for an in-depth study on the financial disclosure programme and the implementation of its findings (see also A/67/7, para. I.42). The Committee therefore welcomes the Secretary-General's efforts in this regard.**

35. It is indicated in paragraph 72 of the Secretary-General's report (A/66/319) that the Advisory Group review addressed how financial disclosure statements are reviewed (referred to as the review function) and the application system upon which the financial disclosure programme is built (referred to as the information technology platform). With regard to the review function, three alternative approaches were identified, namely: continuing the current external review; internal review; and a hybrid review. Regarding the information technology platform, the three possible arrangements identified were: creating a new platform; enhancing the existing platform with medium-level upgrades; or maintaining the existing platform with minimum-level upgrades. The advantages and disadvantages of the three alternatives for the review function are summarized in paragraphs 74 to 76 of the Secretary-General's report, while the advantages and disadvantages of the three possible arrangements for the information technology platform are summarized in paragraphs 80 and 81 of his report. According to paragraph 83 of the report, the Advisory Group recommended external review for the review function because it was considered the most effective option for managing conflicts of interest while ensuring the confidentiality of disclosed information. The Advisory Group also recommended a new information technology platform on the grounds that it would enhance programme effectiveness and ensure robust data protection. A cost comparison of the options considered is summarized in the annex to the present report.

36. Upon enquiry regarding the information technology platform, the Advisory Committee was informed that the platform was maintained by an external vendor and that its services were utilized for maintenance, database migration, database archiving and preparation of the technical platform for the next filing cycle. The Committee was also informed that a medium upgrade of the system would make it more secure, versatile and user friendly, and offer a comprehensive reporting mechanism, at a cost of \$237,500. It was indicated, however, that the upgrade would not alter the underlying technology of the application. The Committee was further informed that the estimated cost of developing a new information technology

platform was \$597,400, which would cover the services of a project manager, a business analyst, a senior programmer and a junior programmer for an estimated total of 3,960 man-hours. The table below provides a detailed summary of the system development tasks and their estimated costs. Moreover, the Committee was informed that one third (\$199,133) of the total estimated cost of \$597,400 would be met from funds received in reimbursement for services provided to various United Nations funds and programmes. Therefore, the remaining balance of \$398,300 was being requested from the proposed programme budget for the biennium 2012-2013 (see paras. 37 and 38 below). The Committee was also informed that the development phase would last for a period of two years, during which time the existing platform would require maintenance at an estimated cost of \$200,000.

System development tasks

<i>Development stage (weeks)</i>	<i>Staff required</i>				<i>Total</i>
	<i>Project manager</i>	<i>Business analyst</i>	<i>Senior programmer</i>	<i>Junior programmer</i>	
System concept development	2	2	—	—	
Planning	1	1	—	—	
Requirement analysis	1	4	2	—	
Design and proof of concept	1	2	4	—	
Development	4	4	15	15	
Integration and testing	1	4	4	4	
Implementation	1	2	2	2	
Subtotal	11	19	27	21	
Number of persons	1	1	1	2	
Number of hours per week	40	40	40	40	
Total hours	440	760	1 080	1 680	3 960
<i>Costs (United States dollars)</i>					
Hourly rate (average: \$149.60)	200	160	160	125	
Total labour cost	88 000	121 600	172 800	210 000	592 416
Software licence					5 000
Total cost					597 416

Recommendations

37. In paragraph 87 of his report, the Secretary-General summarizes his recommendations with regard to the future of the financial disclosure programme and the actions required by the General Assembly. He recommends that the existing arrangement whereby the review function is administered externally be maintained. He also recommends the development of a new information technology platform to harness newer technologies in order to enhance system capacity and data security. In this connection, in paragraph 88 the Secretary-General requests the Assembly to appropriate an amount of \$398,300 under the proposed programme budget for the

biennium 2012-2013, comprising an increase in section 1, Overall policymaking, direction and coordination. The Advisory Committee recalls that during its consideration of the proposed programme budget for the biennium 2012-2013, it recommended an increase of 17.8 per cent in the budget of the Ethics Office.

38. Subject to its comments contained in the preceding paragraphs, the Advisory Committee supports the Secretary-General's recommendations to maintain the existing arrangements whereby the review function of the financial disclosure programme is administered by an external vendor and to develop a new information technology platform. Regarding the resource requirements, the Committee is of the opinion that the proposed budget for the Ethics Office for the biennium 2012-2013, which represents an increase of 17.8 per cent over 2010-2011, provides adequate potential to cover the \$398,300 for the development of the new information technology platform. The Committee therefore recommends against the appropriation of additional funds and that the amount be absorbed and reported in the performance reports for the biennium 2012-2013.

Annex

Financial disclosure programme: cost comparison of programme options

(United States dollars)

<i>Review function options</i>	<i>Information technology platform options</i>		
	<i>New information technology platform</i>	<i>Medium-level upgrade (to existing information technology platform)</i>	<i>Minimum-level upgrade (to existing information technology platform)</i>
	797 400 ^a	237 500	80 000
Internal review	3 348 640	2 788 740	2 631 240
2 552 240			
External review	3 339 820	2 779 920	2 622 420
2 542 420 ^b			
Hybrid (internal/external) review	3 059 308	N/a	N/a
2 261 908			

^a Recommended option for information technology platform.^b Recommended option for review function.