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**Ethics**

## **Activities of the UNDP Ethics Office in 2019**

### **Report of the Ethics Office**

*Summary*

Pursuant to decision 2008/37 of the Executive Board, the UNDP Ethics Office submits the present report covering its activities in 2019. In accordance with the Secretary-General's bulletin on United Nations system-wide application of ethics: separately administered organs and programmes (ST/SGB/2007/11), the Ethics Panel of the United Nations reviewed the report by e-review in February 2020. The report was subsequently presented to the UNDP Administrator.

This is the twelfth annual report presented by the Ethics Office since its establishment in 2007.

*Elements of a decision*

The Executive Board may wish to take note of the present report and comment on progress made by the UNDP Ethics Office in strengthening the ethical culture of UNDP.

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\* Reissued owing to the impact of COVID-19 on meetings.



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## I. Introduction

1. The present report is submitted in accordance with Executive Board decision 2008/37 and details the work of the UNDP Ethics Office in 2019 pursuant to its mandate under the Secretary General's bulletin ST/SGB/2007/11 to "cultivate and nurture a culture of ethics, integrity and accountability, and thereby enhance the trust in and credibility of the United Nations, both internally and externally".

2. Established in 2007 and based in New York, the Ethics Office provides ethics services to the UNDP global workforce operating in over 170 countries and territories. This report summarizes the 2019 activities and achievements of the office in its following mandate areas: (a) standard-setting and policy support; (b) ethics training, awareness-raising and outreach; (c) providing confidential advice and guidance to staff and management on ethics issues and ethics-related policies; (d) administering the UNDP financial disclosure programme; and (e) administering the UNDP protection against retaliation policy. The report further addresses the office's engagement with the Ethics Panel of the United Nations (EPUN) and the Ethics Network of Multilateral Organizations (ENMO) for the purpose of harmonizing ethics policies and practices across the United Nations system.

3. Functioning on the principles of independence, impartiality and confidentiality, the Ethics Office promotes ethical conduct and decision-making by all UNDP personnel. A strong organizational culture of ethics and accountability that supports ethical behaviour is a fundamental requirement for the effective performance of UNDP programmes. The visible adherence by UNDP staff and management to the highest standards of ethics and integrity further serves to protect the reputation of the organization with government partners, donors, civil society stakeholders and the wider public that UNDP serves. Committed to embedding and enhancing ethics in UNDP business processes and decision-making through its ethics services and pragmatic and actionable ethics advice and guidance, the office serves as a vital advocate of ethical practices within UNDP.

4. During the reporting period, the office continued to develop and deliver an innovative ethics programme designed to engage and inform UNDP leadership and all other personnel. As an indicator of the reach and success of that programme, the office has experienced sustained, annual growth in the number of individuals proactively seeking its support and advice. That growth remains attributable to the office's efforts to reach as many UNDP personnel as possible through its outreach and training activities, and is reflective of the timeliness, quality and real-world practicality of its advice.

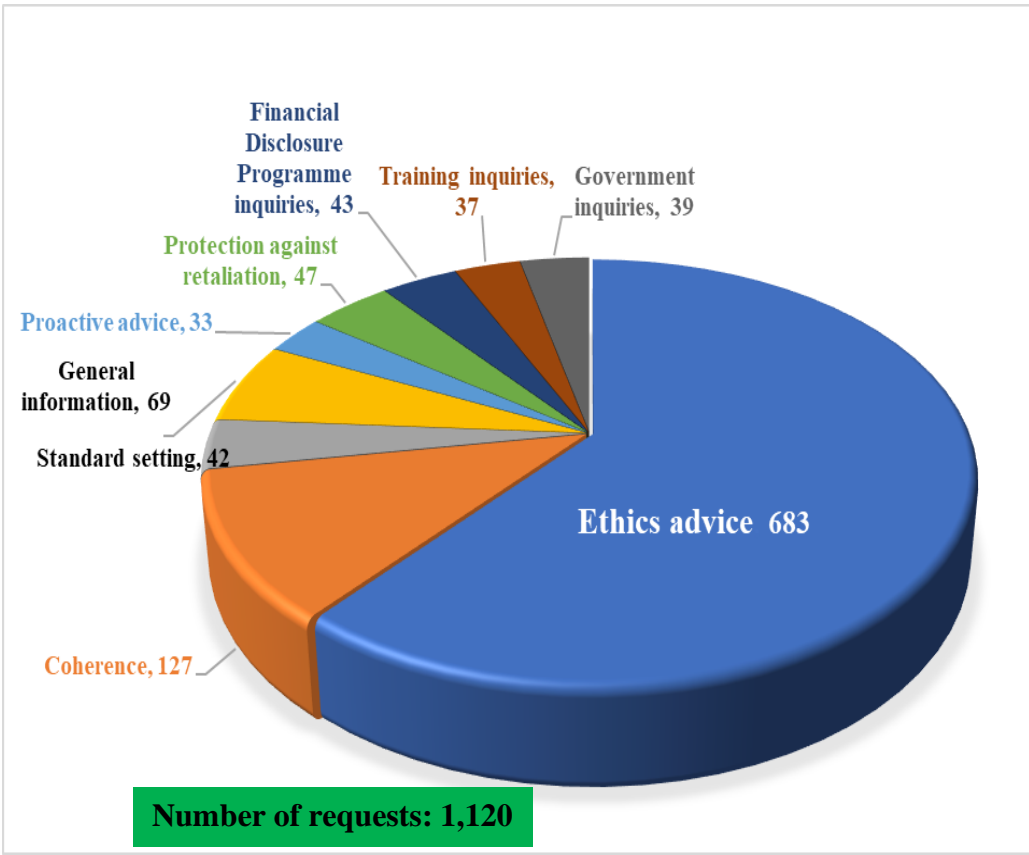
5. In 2019, the Ethics Office addressed a record 1,120 matters (compared with 1,067 matters in 2018). Having dealt with 643 matters in 2015, the office has experienced a 74 per cent caseload increase in the last five year period. Figure 1 provides a breakdown of total service requests received by the office in 2019.

6. During 2019, the office provided ethics-related training to a record high 2,131 UNDP personnel (compared with the previous high mark of 1,570 in 2018). The office further reviewed 1,280 individual financial disclosure statements, and issued conflict of interest avoidance advice to 182 filers, while administering the UNDP financial disclosure programme. In addition to conducting reviews of multiple UNDP and other United Nations policies and processes to support incorporation of ethics considerations and best practices, the office continued to provide tailored ethics briefings to senior management to promote ethical leadership behaviour, and it leveraged social media platforms to increase awareness of ethics and institutional integrity matters.

7. Having operated since its establishment with a core staff of Director, Ethics Adviser and Administrative Assistant, in 2019 the Ethics Office completed recruitment of a new P-3 Ethics Specialist. Remedying the office’s long-standing understaffing concerns, this new post will help ensure that the office maintains its high standards of quality services and responsiveness in the face of increased workload. In supporting the long-term sustainability of the office, the authorization of the P-3 post by UNDP management demonstrates the continuing commitment of management for a strong and effective ethics function within the organization.

8. An organization’s workplace culture ultimately drives how individuals behave, how decisions are made, and how an organization is perceived by stakeholders. By regularly communicating and advocating for UNDP ethical values and requirements, and by providing pragmatic ethics advice that promotes business practices and decisions based on fairness, principled stewardship, and accountability, the Ethics Office plays a critical role in supporting and protecting the integrity of UNDP programming and service delivery.

**Figure 1. Requests for advice and other services, by category, 2019**



## II. Administrative activities

9. The Ethics Office's new P3 Ethics Specialist was onboarded in October 2019. The creation of the P3 post is of significant importance for the office's work, given that its international United Nations Volunteer (UN-Volunteer) placement ended in 2019. Funded by the UNV programme, the UN-Volunteer was first allocated to the office in 2017 to assist with the increasing caseload. As UNV programme funding ended in August 2019, the Ethics Office self-funded the UN-Volunteer assignment until the departure of that individual in November 2019. With the addition of a stable, UNDP-funded P3 staff member post to the office's core staffing of a D1 Director, P5 Ethics Adviser and a G6 Administrative Associate, the office is much better positioned to help ensure the long-term sustainability of its ethics programme.

10. In anticipation of the hiring of the P3 Ethics professional in 2019, the total budget for the office had increased slightly for the year. For 2020 the operating budget increased yet again in anticipation of a full year of P3 availability.

11. Highly appreciative of the resolution of its staffing concerns through the attention and efforts of UNDP leadership, the Ethics Office continues to provide comprehensive, results-focused ethics services across the organization. Maintaining a strong relationship with staff and management, the office has developed a reputation as a consistently reliable and responsive resource offering pragmatic solutions to ethics-related concerns that uphold and advance the ideals and principles of the organization.

## III. Mandated activities

12. Driven by its mandate to foster a culture of ethics and integrity across UNDP, in 2019 the office achieved significant results across its areas of responsibility.

### A. Standard-setting and policy support

13. The Director of the Ethics Office has continued to serve on the UNDP Task Force on Prevention of Sexual Harassment and Sexual Exploitation and Abuse, as established in 2018 by the Administrator and led by his Executive Office. In 2019, the task force developed and implemented a robust communications campaign and made further revisions to the policy on harassment, sexual harassment, discrimination and abuse of authority, in line with the United Nations model policy on sexual harassment. The composition of the task force was expanded to include staff from regional bureaux and certain country offices to incorporate field-based concerns and perspectives. Additional task force output included a pilot of respectful workplace facilitators in partnership with the Office of the Ombudsman for the Funds and Programmes in up to 25 country offices, building on the successful experience of the Office of the Ombudsman with other United Nations organizations. The role of the respectful workplace facilitators will be to provide a safe space for personnel to discuss concerns and understand the redress and support options available to them. The respectful workplace facilitators will cover all forms of harassment, discrimination and abuse of authority.

14. The Ethics Office again participated in task force briefings to UNDP offices and personnel across the globe on sexual harassment and sexual exploitation and abuse policies, procedures and services. The office presented the UNDP policy for protection against retaliation in relation to sexual harassment and sexual exploitation and abuse complaints and investigations and its role as a source of confidential ethics advice and guidance.

15. The Ethics Office continued to support UNDP policy development, upon the request of management and through proactive engagement with business units and the Director's participation in the Organizational Performance Group and Policy Review

Network. In order to facilitate incorporation of ethics considerations and standards necessary for effective business performance, the office reviewed and provided substantive feedback on numerous UNDP policies, guidelines and institutional documents, including the data protection policy; the Economic Dividends for Gender Equality (EDGE) Certification; the 2020 Partnership Survey; UNDP internship stipends; the report on the implementation of the recommendations of the United Nations Board of Auditors, 2018; the sustainable UNDP facility proposal; the fellowship policy; the UNDP career management framework; the performance management and development policy; the revised social and environmental standards and screening procedure; the Digital Governance Group terms of reference; the People Development Governance Group terms of reference; and the UNDP digital strategy. The Director also met with a consultant retained by the Office of Human Resources (OHR) to provide ethics input on the UNDP People for 2030 strategy.

16. While issuing ethics advice on (a) UNDP recruitment of government personnel who wish to maintain their governmental employment status for government pension purposes, and (b) UNDP staff members seeking to take special leave without pay (SLWOP) to pursue outside employment, the Ethics Office identified concerns relating to the implementation of the UNDP recruitment and selection framework policy and its policy on special leave.

17. Under the UNDP recruitment and selection framework policy, the maintainance of governmental employment status by a candidate recruited by UNDP from government service (for a restricted purpose such as maintaining pension rights) is limited to two years. This is to ensure that incoming UNDP staff members adhere to their oath of office, which requires independence, impartiality and refraining from taking direction from a government; dual employment status necessarily creates an inherent conflict of interest. Pursuant to this, individuals who authorized by UNDP to temporarily maintain their governmental employment status are provided a two-year period to consider whether they will remain with UNDP and give up their governmental status, at the conclusion of that period, or resign their UNDP post and return to government service. Although individuals recruited from governments who seek to temporarily maintain their governmental status are accordingly required to sign UNDP appointment letters confirming, inter alia, their loyalty to UNDP, the Ethics Office notes that there has been inconsistency in stipulating the two-year limit in these required declarations. Having raised this issue with UNDP management, management has committed to reviewing the recruitment and selection framework policy and associated practices for the purpose of remedying any identified policy or process deficiencies.

18. The UNDP policy on special leave provides specific grounds for the granting of SLWOP to UNDP staff members. SLWOP may, for example, be granted to pursue academic studies or attend to a serious family illness. While pursuit of full-time, external employment is not among the policy's enumerated reasons for SLWOP authorization, UNDP has developed a practice whereby requests by staff members to take SLWOP for the sole purpose of taking up a full-time job with an external employer are granted. While the policy provides that SLWOP shall only be granted for a maximum period of 24 months, SLWOP extensions have been granted beyond the policy's maximum 24 months period. In light of these identified practices that diverge from stated policy requirements, the Ethics Office has advised UNDP management to determine whether there is in fact an organizational justification for the inclusion of external employment as a legitimate, sole reason for the granting of SLWOP. If so, the policy needs to explicitly provide for this to ensure policy coherence. Similarly, if UNDP management considers that the allowable duration of SLWOP should exceed the current 24-month limitation, the policy should be revised so that enforced, maximum SLWOP time limits are clearly and explicitly stated. UNDP management has committed to review the policy on special leave and undertake revisions as necessary.

19. In 2019, the former UNDP publications policy, which had provided guidance on publishing material in one's official UNDP role as well as in one's personal capacity, was replaced by the new knowledge product production and quality assurance guidelines. As the new guidelines only address the publication of official UNDP products, the office collaborated with the Bureau for External Relations and Advocacy (BERA) to develop stand-alone guidelines for UNDP personnel who seek to publish materials in their personal capacity.

20. The UNDP policy on gifts, honours, decoration, favours, hospitality or remuneration from governmental and non-governmental sources, as drafted by the Ethics Office and endorsed by the Bureau for Management Services (BMS), was formally approved by the OPG in May 2019. The policy, which provides detailed guidance to UNDP personnel when a gift or other item has been received or offered, is to be administered by BMS.

21. During the reporting period, the Ethics Office became a member of the UNDP Digital Governance Group and the People Development Governance Group. While the Digital Governance Group will provide strategic guidance and recommendations on the allocation of resources to support UNDP digital transformation, the People Development Governance Group will identify and prioritize corporate learning needs.

22. Throughout 2019, the office continued to provide ethics expertise and support to United Nations system entities. Notably, while the Director was requested by UNFPA leadership to serve on the selection panel for the new head of the UNFPA Ethics Office, the office was also requested by UNFPA to provide ethics advice services to UNFPA personnel for the month of September 2019, pending the arrival of the new head of the UNFPA Ethics Office. The Director also: (a) briefed the United Nations Board of Auditors on the function of the Ethics Office, and its critical role in raising awareness and providing advice on how to identify and/or avoid fraud and corruption; (b) met with the United Nations Joint Inspection Unit (JIU) as part of the JIU review of the investigative function in the United Nations; and (c) provided comments on the JIU review of audit/oversight committees in the United Nations system.

23. The office was also requested by the United Nations High Commissioner of Refugees (UNHCR) Ethics Office to host its Senior Adviser responsible for protection against retaliation matters. The UNHCR Senior Adviser remained with the UNDP Ethics Office for one week and was briefed on the office's best practices for processing protection against retaliation cases. The UNHCR request for this learning placement is reflective of the UNDP Ethics Office reputation as a leader in whistleblower protection.

24. In 2019, the Ethics Office continued to provide personal ethics briefings to, and conducted conflict of interest vetting of, recommended candidates for key UNDP leadership positions.

## **B. Training, outreach and awareness-raising**

25. Training and awareness-raising are critical aspects of the Ethics Office mandate. When training UNDP personnel on the United Nations/UNDP ethical framework and required standards of conduct, the office emphasizes the pragmatic, 'business value' of ethics by explaining how ethical decision-making is fundamental to the organization's effective operation and service delivery. Given that UNDP operates in diverse, often high-risk environments and is composed of a diverse, multicultural work force, it is essential that UNDP personnel both understand and adhere to the organization's unified set of ethical standards and practices, which remain constant across UNDP locations. In ensuring that their daily actions and decisions are guided by UNDP core ethical values and expectations, UNDP personnel protect the organization's reputation and credibility, and look to ensure delivery of best results.

26. While ethics training educates all personnel on their United Nations obligations, the office also provides separate ethical leadership training for UNDP managers that

reinforces ‘tone at the top’ and ‘mood in the middle’ (mid-level managers who handle daily operations). As an organization’s ethical culture is significantly enhanced through the visible adherence of its leadership to ethical conduct, ethical leadership training engages managers on the importance of serving as workplace examples and exhibiting role-model behaviour.

*Online ethics and integrity at UNDP course, and other Ethics Office modules*

27. The Ethics Office training programme includes an online course, Ethics and Integrity at UNDP, in English, French and Spanish. Mandatory for all UNDP personnel, the course uses real world UNDP work scenarios to raise awareness of ethical issues, promote ethical decision-making, and support compliance with relevant UNDP policies, procedures and standards. As of 31 December 2019, 13,633 UNDP personnel have completed the course.

28. The office also offers, through the UNDP online learning platform, three voluntary ethics mini-courses on: (a) avoiding conflicts of interest; (b) the UNDP financial disclosure programme; and (c) the UNDP policy for protection against retaliation. Available in English, French and Spanish, there have been 1,891 course completions as of the end of 2019. While addressing and reinforcing the requirement to complete Ethics and Integrity at UNDP during its trainings and in its outreach materials, the office also promotes its voluntary courses.

*Face-to-face workshop and webinars*

29. In addition to its online training courses, the Ethics Office outreach and in-person training initiatives constitute a crucial vehicle to expand awareness of its services, enhance understanding of ethics requirements, and listen directly to ethics-related concerns of field-based personnel.

30. In 2019, the office delivered live ethics training to a record 2,131 UNDP personnel via live face-to-face ethics workshops, group briefings, panel discussions, and web-based platforms. By way of comparison, the office provided live training to 1,570 personnel in 2018 and 883 personnel in 2017. This significant growth in training numbers over recent reporting cycles is a reflection of the practical value that UNDP offices and officials across the globe are placing in the office’s ethics trainings. Senior UNDP country office leaders have repeatedly requested live ethics briefings for their respective personnel subsequent to themselves having attended ethical leadership training sessions held by the Director at headquarters and regional levels.

31. During the reporting period, the office arranged ethics workshops and ethical leadership sessions for UNDP personnel located, inter alia, in Belize, Chile, Guatemala, India, Pakistan, Paraguay, Rwanda, Turkey and the Panama Regional Hub. Trainings were provided in-person and via Skype at all hours to reduce travel costs to the organization. To promote budgetary efficiencies and reduce air travel, the office utilized its experienced external training provider for sessions where the external trainer had facilitators in the region of the requesting country office, and where local language training was required. The office joined all externally facilitated trainings via Skype to introduce the office and answer participants’ questions.

32. The Ethics Office also conducted the following ethics trainings in 2019: orientation workshops in New York for incoming UNDP junior professional officers (JPOs); training of BMS personnel in New York; trainings via Skype of Global Shared Services Unit (GSSU) and BMS personnel, and JPOs in Copenhagen; ethical procurement training via Skype for a regional procurement workshop held in Bangkok; training via Skype of UNV personnel at UNV headquarters in Bonn, Germany; training via Skype for the African Young Women Leaders Induction held in Addis Ababa, Ethiopia; and multiple trainings with the UNDP Task Force on Prevention of Sexual Harassment and Sexual Exploitation and Abuse. The Director also provided ethics briefings at an induction session for new judges at the United Nations Dispute Tribunal



(as part of a combined EPUN effort) and to the German Board of Auditors in their capacity as external auditors to UNDP; the Director was invited to present to law students at New York Law School, comparing and contrasting ethics in the United Nations setting versus the private and government sectors.

33. To ensure its ethics trainings remain dynamic and provide optimal, practical value, the office tailors its training presentations to the specific needs of each UNDP office or location by focusing on country-specific political contexts, local UNDP programming, and local audit and investigation matters. The office also incorporated into its individual trainings in 2019 ethics results obtained from the 2018 UNDP Global Staff Survey. Focusing on the pragmatic application of ethics to local realities and concerns has led to increased personnel engagement on ethics issues and contributed to the Ethics Office's experienced growth in service requests.

#### *Senior management trainings and briefings*

34. Indicative of UNDP management's commitment to the mainstreaming of ethics throughout the organization, in addition to providing trainings to specific UNDP offices, the Ethics Office is also regularly invited to deliver ethics presentations at senior management meetings and to new cadres of managerial personnel.

35. For UNDP, 2019 was a pivotal year, with the delinking of United Nations resident coordinator and UNDP resident representative roles. The transition of former UNDP country office leaders to resident coordinator positions under the United Nations Secretariat has resulted in the designation of a large number of new UNDP resident representatives. To support this transition, in early 2019 the Director was invited to present at a week long UNDP resident representative orientation meeting in Bonn, Germany. As a consequence of this early interaction, new resident representatives facing complex challenges in their new roles regularly reached out to the office for advice and guidance.

36. The Director also received invitations from the Regional Bureau for Arab States (RBAS), the Regional Bureau for Latin America and the Caribbean (RBLAC), and the Regional Bureau for Africa (RBA) to attend and present on ethical leadership at their regional management meetings for country office leaders. The Director also provided an in-person ethics briefing at a separate RBLAC retreat for deputy regional representatives and operations managers. The Ethics Office's participation at regional management meetings continues to raise awareness and assist country office leaders to foster an ethical culture at their respective offices, which serves to protect the integrity of UNDP programming and sustain public trust in UNDP at the local level.

37. In 2019, the office also provided ethics briefings to new Executive Board members, as well as personal ethics inductions to new members of the UNDP senior leadership team and all other newly appointed officials at the D1 level and above (including conflict of interest vetting).

#### *Awareness-raising and communication activities*

38. To promote and reinforce the value of embedding ethics in the fabric of the organization and to reach as many UNDP personnel as possible regardless of location, the Ethics Office pursues a proactive ethics awareness campaign via e-mail and social media and through the production and distribution of ethics guidance materials. The regular provision and updating of ethics information is essential to ensure personnel are equipped with relevant tools and knowledge necessary to take informed ethical decisions that are in the best interests of the organization. Collective adherence by all personnel to UNDP core values and required standards of conduct is critical for maintaining a UNDP culture of ethics and for protecting the operations and reputation of the organization.

39. The office continues to leverage social media to advance ethics education and to communicate across the organization that ethics constitutes an integral component of UNDP business practices. In 2019, the office utilized its Twitter and Yammer (an internal United Nations social network) presence to circulate ethics articles, surveys and opinion pieces. Noting that the regular dissemination of such information encourages discussion on ethics matters and keeps ethics front of mind, the Director has issued a total of 488 tweets and a similar number of Yammer posts since the inception of the office's social media usage.

40. As essential sites for UNDP ethics programme information and resource materials, the office ensured that its intranet and public-facing Internet pages remained updated and fit for purpose. While the office's intranet site had 13,595 page views by UNDP personnel in 2019, the public site had 3,716 visits. These numbers maintain the annual, upward trend in the accessing of the office's intranet and Internet sites, with the sites having experienced 12,983 and 2,633 views respectively in 2018.

41. Among the Ethics Office's produced awareness materials, the *UNDP Code of Ethics* and *Where to Go When: A Resource Guide for UNDP Personnel* constitute keystone publications. The *Code of Ethics* – the first such code in the history of UNDP – consolidates summaries of all policies and procedures impacting the organization's ethical culture. Noting UNDP is the only United Nations entity to have adopted such an interactive and comprehensive code (comparable to the best in private and government sectors), in 2019 the *UNDP Code of Ethics* was recognized by Business Performance Improvement Resource, a New Zealand based organization that identifies and showcases examples of business excellence and best business practices. As a companion publication to the *Code of Ethics*, *Where to Go When* is the first comprehensive UNDP guide detailing the various support offices and services available to UNDP personnel.

42. Given the need to ensure its ethics materials are topical and up to date and remain sources of reliable information, in 2019 the office completed comprehensive reviews of the *Code of Ethics* and *Where to Go When*. With, among others, updated hyperlinks, edits reflective of changes to cited UNDP policies and guidelines, and the inclusion of a new *Where to Go When* section on addressing and reporting sexual harassment, both revised publications will be released in early 2020 and continue to serve as core pieces of the office's training and outreach work.

43. In 2019, the office similarly updated and reissued its information brochures: *The Ethics Office*; *Preventing Conflicts of Interest*; *Financial Disclosure*; and *Protection Against Retaliation*. All office publications remain available online, in multiple languages, on the office's Internet and intranet sites to facilitate widescale accessibility and to avoid unnecessary publishing and distribution costs.

44. As an element of its outreach and training work, the office provides various promotional items to all ethics training attendees, such as wallet cards and note pads that contain Ethics Office contact information and ethics messaging. In light of the popularity of these items, and to remain innovative, in 2019 the office developed and distributed new promotional products, including office branded RFID wallets, and UNDP ID card lanyards.

45. In 2019, OHR released *Welcome to UNDP*, an organizational app that provides essential UNDP information via mobile devices. Following Ethics Office collaboration with OHR, the app includes an ethics section with ethics information and documentation. Available to UNDP personnel and members of the public on their mobile devices, the app advances the office's efforts to establish a broad spectrum of ethics awareness resources. The United Nations Board of Auditors has commented to the office that no other United Nations agency had undertaken such an initiative to date, and that the office was at the forefront of ethics awareness-raising endeavours.

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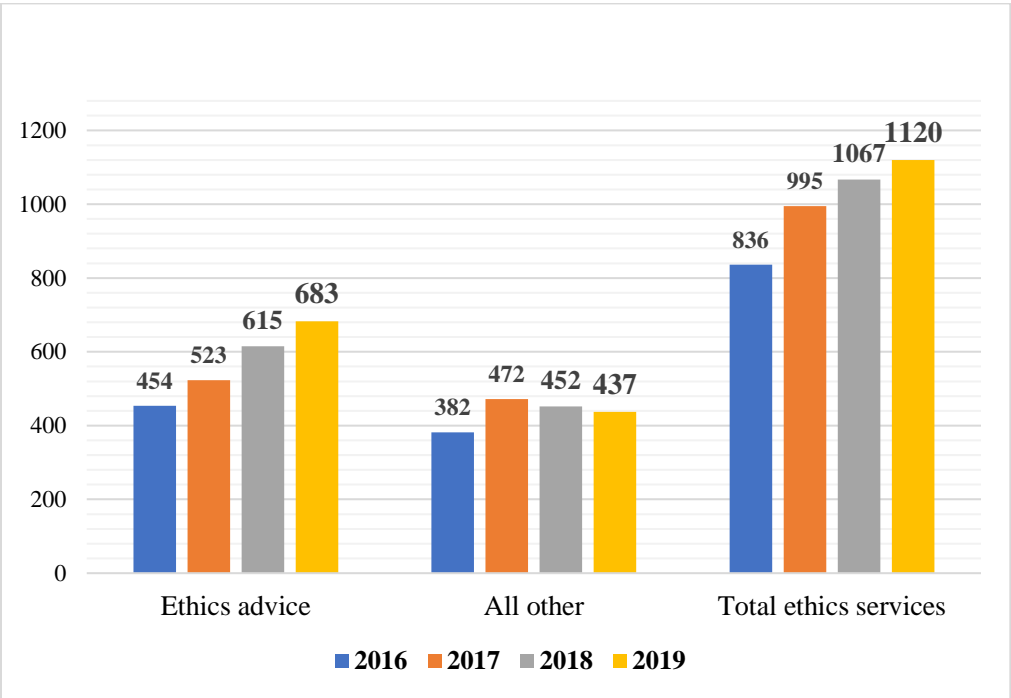
## C. Confidential advice and guidance

46. The provision of ethics advice is a fundamental component of the Ethics Office's mandate to foster an ethical culture and embed ethical thinking into UNDP business operations and practices. By providing clear, pragmatic, actionable advice, the office enables personnel to manage potential conflicts of interest and resolve ethical dilemmas before they become problems for UNDP. In addition to advising on personal capacity activities and interests, the office also advises personnel on ethical concerns relating to UNDP programmes and stakeholder interactions, including engagements with governmental and civil society entities. By advising on appropriate courses of action guided by the core principles and values of the organization, the office supports the integrity of UNDP programming and service delivery.

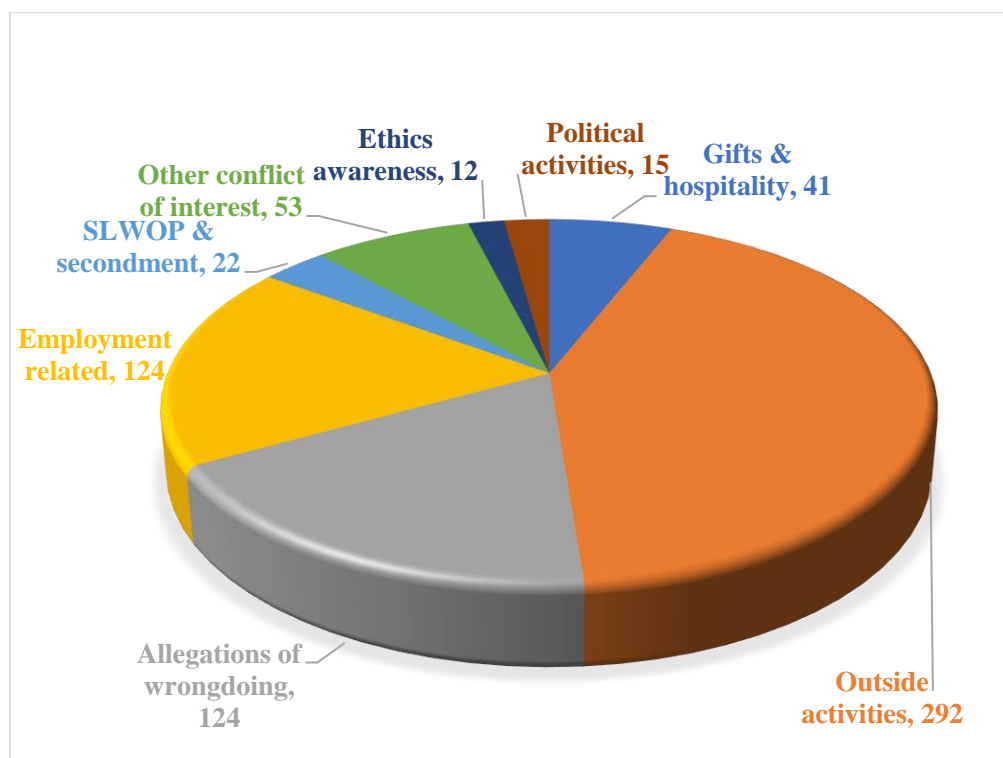
47. At its core, the office's advisory mandate assists staff and management to make informed and appropriate decisions at the personal and professional levels that are in the best interests of UNDP. As a confidential resource that provides timely, reasoned, actionable advice, the office has gained the trust of personnel throughout the organization. By acting as a respected and consultative service, the office plays a key role in managing operational and reputational risk for UNDP.

48. Indicative of the trust and value placed in the office, and as a result of the office's sustained efforts to expand awareness of its work across the organization, the number of UNDP personnel seeking ethics advice and guidance has significantly increased over recent reporting cycles. As depicted in figure 2, in 2019 the office set another annual record of 1,120 service requests, of which 683 were for ethics advice. Noting that in 2015 the office received 643 requests for services, with 431 ethics advice requests, the 2019 numbers constitute a 74 per cent increase in total ethics service matters, and a 58 per cent increase in received advice requests. As stated, the creation of the office's new ethics specialist position will enable it to effectively manage this service demand increase and continue its proactive development of innovative ethics initiatives.

**Figure 2. Ethics advice as a component of total services, 2016-2019**



49. During the reporting period, 61 per cent of all requests for Ethics Office services concerned ethics advice and guidance (up from 58 per cent in 2018). As shown in figure 3, the office issued advice on a broad range of matters, including: outside activities; involvement in political activities; internal procedures for the reporting of alleged misconduct; acceptance of awards, gifts and honours; and other ethics-related employment concerns, including referrals to appropriate support offices such as the Office of the Ombudsman for United Nations Funds and Programmes, and the United Nations Office of Staff Legal Assistance (OSLA). As the provision of ethics advice constitutes a significant element of the office’s daily interaction with UNDP personnel, the office remains committed to responding to all received advice matters in an expedited manner. Cognizant that personnel confidence in the office depends on timely receipt of effective advice, the office specifically prides itself on typically issuing ethics advice within 24 hours of receiving all required case information.

**Figure 3. Ethics advice breakdown, 2019**

50. Consistent with prior reporting cycles, the highest number of received advice matters concerned requests from UNDP personnel to engage in outside activities, including Board memberships, external publishing and part-time outside employment such as occasional university teaching. Proposed outside activities are vetted by the office to ensure the activity does not conflict with the requesting individual's obligations of independence, impartiality and loyalty to UNDP, nor reflect adversely on UNDP. Noting that the request procedure has been paper-based to date, in 2019 the office began collaboration with the UNDP Executive Office on the development of an online outside activity application system that will enhance application and review efficiencies in line with the office's efforts to remain innovative and to streamline ethics services and processes.

51. While a result of the office's proactive training and awareness-raising programme, the annual growth in demand for ethics advice also positively reflects on the understanding and initiative of UNDP personnel to actively seek out Ethics Office support on ethics-related matters. The office's broad spectrum of ethics initiatives has served to place the office as a recognized and valued resource for guidance on ethics concerns and has advanced the prevention and avoidance of actions or conduct contrary to the interests of UNDP.

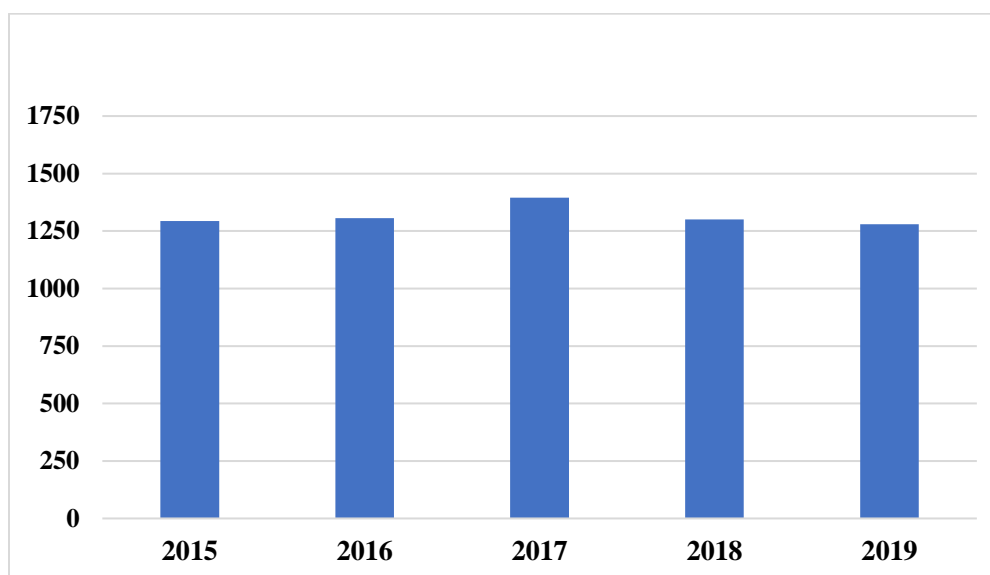
#### **D. Financial disclosure programme for the 2018 transaction year (filed in 2019)**

52. The UNDP annual financial disclosure programme (FDP), as administered by the Ethics Office, is designed to identify, manage and eliminate conflicts of interest between a filer's personal holdings, interests and affiliations and their UNDP duties and obligations. Applicable to all management at the D1 level and above and to personnel whose principal duties involve procurement and investment, the programme seeks to

ensure that private interests do not interfere, and are not perceived to interfere, with official decision-making, thus promoting organizational transparency and public trust. At the conclusion of the FDP statement review process, a subset of filers are selected by the office to participate in a separate verification exercise to authenticate the accuracy and completeness of their statements.

53. In 2019, the office conducted its thirteenth annual financial disclosure exercise, covering the 2018 transaction year. Consistent with the number of filers over recent filing cycles, 1,276 filers participated in the programme (figure 4). While a number of United Nations system ethics offices outsource the review of filer statements to external vendors, the office continued its practice of directly reviewing all submitted FDP statements. Not only does this approach achieve significant cost savings for the organization, it also ensures the review process leverages the office's full conflict of interest risk expertise within the context of UNDP. As with prior filing cycles, the programme achieved a 100 per cent compliance rate.

**Figure 4. Number of financial disclosure policy annual filers from 2015 to 2019**



54. With regard to process, the office initiated reviews of FDP statements at the time of receipt, allowing for immediate filer follow-up and facilitating the provision of expedited guidance to filers on required actions to mitigate conflict of interest risk or remedy identified conflict of interest situations.

#### *Review of data and provision of conflict of interest advice*

55. The Ethics Office's review of FDP statements involved a three step approach. First, statements were vetted to ensure completeness of information, with filer follow-up conducted in cases of incomplete or unclear information. Second, declared holdings such as company stocks were considered in light of any UNDP vendor or other relationship with the relevant entity. Third, declared outside affiliations and activities were assessed against applicable restrictions and obligations as contained in relevant staff rules and policies. Taking into consideration the official functions and duty station of the relevant filer, all reviews were conducted to identify actual or potential conflicts of interest and, where conflicts were detected, provide remedial or proactive advice.

56. Under the FDP, participating filers are required to report all financial assets and holdings with a value of \$10,000 and above for themselves, their spouses/partners, and

their dependent children. Until 2019, those filers who reported that neither they nor their family members had any assets worth \$10,000 or more, or held any affiliations relevant to UNDP, received automatic clearance of their statements through the online FDP system. The majority of such “no transaction” filers over the course of the FDP have been local UNDP personnel.

57. In 2018, the Ethics Office became aware through its FDP verification process that a number of filers who did not report any items and received automatic clearances of their statements did in fact possess assets and affiliations that required declaration. To address this situation, in 2019 the office revised the online FDP system so that automatic clearances are no longer generated. Instead, all filers who participated in the 2019 exercise and claimed in their submitted statements to have no reportable holdings or affiliations received a follow-up e-mail requiring their written confirmation of the accuracy of their filing. Filers with no declared holdings were also informed that an intentional failure to declare reportable holdings constituted a violation of filer obligations. If a “no transaction” filer subsequently informed the office that they had inadvertently failed to report accurate information, their filing was reopened and they were required to resubmit their statement.

58. As a consequence of this new confirmation requirement, 53 filers who initially submitted statements asserting that they had no relevant holdings requested that their statements be reopened so that they could accurately report required information. The main reason given by filers who initially failed to report mandatory information was that they had not fully understood the range of items and affiliations that must be disclosed under the programme. Given that a large percentage of these 53 individuals had previously participated in the annual FDP as “no transaction” filers, the office considers that many were simply insufficiently diligent in reviewing and updating their annually submitted statements. The requirement that all “no transaction” filers provide written confirmation of the accuracy of their submitted statements will now become a permanent feature of the FDP online reporting system.

59. To strengthen the FDP and make it a more robust and comprehensive conflict of interest identification mechanism, in 2018 the office developed additional filer questions on affiliations and relationships that could affect, or be perceived to influence, official decision-making. As a consequence of the additional information obtained through these questions, in 2018 the office issued FDP advice to a record high 152 filers, or 11 per cent of the filing population. In comparison, the office had issued advice to an annual average of 59 filers over the 2014-2017 filing cycles.

60. Maintaining this significant increase in issued FDP advice, the office issued advice to 182 filers in 2019 (14 per cent of the filing population). While one of these cases involved an apparent conflict of interest that was subsequently remedied through the office’s issuance of appropriate advice, the office provided proactive advice to the other 181 filers to mitigate potential conflicts of interest so that actual conflicts of interest could be avoided. As with prior cycles, a significant proportion of proactive advice cases involved UNDP personnel with family members working at governmental agencies, non-governmental organizations, or with potential UNDP suppliers. The noted increase in issued advice attests to the utility in expanding the scope of FDP questions and serves to identify and deal with previously unaddressed risk areas.

#### *Verification of financial disclosure programme statements*

61. The verification of filer information for accuracy and completeness is an integral component of the FDP. During the 2019 filing cycle, 40 filers were randomly selected by the office for verification, taking into consideration filer location, grade and gender. Following the provision of intensive office support to selected filers, all participants completed their required submission of third party verification documents, thereby maintaining the verification exercise’s record of full compliance.

## **E. Protection of staff against retaliation for reporting misconduct and/or cooperating with duly authorized audits or investigations**

62. The Ethics Office administers the UNDP policy for protection against retaliation (“whistleblower protection”), which applies to UNDP contract holders who allege they have been subjected to harmful retaliatory action as a consequence of properly reporting misconduct or for cooperating with an official investigation or audit (referred to under the policy as “protected activities”). By promoting both the obligation of UNDP personnel to report misconduct and to cooperate with investigations/audits, the policy aims to enhance the UNDP ability to effectively investigate and remedy conduct that, if otherwise left unaddressed, could cause significant damage to the operations and reputation of UNDP.

63. In accordance with the policy, the office receives complaints of retaliation and conducts preliminary assessments to determine whether a complainant has engaged in a protected activity and, if so, whether the protected activity was a contributing factor in causing the alleged retaliation. If the office determines that a prima facie case of retaliation has been established, the matter is referred to the UNDP Office of Audit and Investigations (OAI) for investigation. The office makes a final retaliation determination subsequent to its receipt and independent review of the OAI investigation report and relevant evidential materials.

64. In 2019, the Ethics Office received 47 inquiries relating to protection against retaliation. Of these inquiries, 35 involved: (a) requests from UNDP personnel and non-United Nations sources for policy information and advice; and (b) requests from United Nations system ethics offices for advice on specific protection against retaliation cases. By way of comparison, the office received an average of 31 protection against retaliation information and advice inquiries over the three preceding reporting cycles.

65. In addition to providing general advice on policy content and applicability, the office referred UNDP personnel who raised workplace reprisal concerns not covered by the policy to other appropriate offices, including OAI, OHR, the Office of the Ombudsman and OSLA. Maintaining an open door policy, the office advised such personnel that they could return to the office at any time with case updates or seek additional guidance.

66. Of the received 47 protection against retaliation inquiries, 12 were formal allegations of retaliation. This is a notable increase in the number of received retaliation complaints compared to prior reporting cycles. Notably, the office received two complaints in 2018, three in 2017, and two in 2016.

67. While the vast majority of complaints received in prior cycles came from UNDP personnel working at UNDP offices, in 2019 eight of the received 12 complaints came from individuals holding UNDP-administered contracts and working for non-UNDP offices. These offices included the United Nations Office on Drugs and Crime (UNODC), the United Nations Human Settlements Programme (UN-Habitat), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and a resident coordinator’s office. While service by these individuals on UNDP-administered contracts is limited to the non-UNDP office for which they work, any disputes relating to that service are to be addressed by UNDP. As such, if an individual working for a United Nations Secretariat office on a UNDP-administered contract alleges retaliation against personnel from their Secretariat office, the UNDP (rather than United Nations Secretariat) Ethics Office is required to review the complaint. Noting that the UNDP protection against retaliation policy mandates that UNDP offices and personnel cooperate with the UNDP Ethics Office in the course of its protection against retaliation reviews, the office must rely on good faith cooperation when dealing with non-UNDP offices, which has not always been forthcoming. As a further jurisdictional



complication, when dealing with retaliation complaints emanating from UNDP contract holders serving in non-UNDP offices, any non-UNDP retaliation investigation subject would not fall under the jurisdiction of OAI, but instead under the investigative authority for the relevant non-UNDP office. In the event of a prima facie retaliation finding by the UNDP Ethics Office, arrangements would then need to be made with the non-UNDP office's investigative authority in order to accept an investigation referral by the UNDP Ethics Office. Similarly, should the office seek to issue a retaliation protection measure recommendation, the office would have to rely on the good faith of non-UNDP office's management for implementation.

68. Of the 12 received retaliation complaints, only four were from UNDP personnel working for UNDP offices. As indicated, this number of UNDP personnel complaints is largely consistent with prior reporting cycles.

69. The office conducted comprehensive preliminary assessments for all received complaints, involving reviews of submitted case documentation, complainant interviews, and follow-up with other relevant information sources upon complainant authorization. For the 12 received complaints, the office determined that prima facie cases of retaliation had not been established for eight of them. In one other case, the complainant abandoned their complaint after failing to provide the office additional requested case information. For those complaints where a prima facie case of retaliation was not established, the reasons included: complainant did not engage in a protected activity; complainant's alleged retaliatory act occurred before their protected activity; complainant raised as retaliation a continuing course of alleged harassment that clearly existed prior to, and independent of, their protected activity; and complainant's submitted materials contained no information or evidence indicating that the alleged retaliatory act was connected to their protected activity (for these cases, evidence reviewed and obtained by the office instead supported legitimate operational justifications for the contested act or decision). Where a prima facie case of retaliation had not been established, the office advised complainants of other appropriate internal recourse mechanisms to address the workplace concerns they raised.

70. While the Ethics Office determined that prima facie cases of retaliation had been established for three complaints, only one of these cases came from a UNDP office. The UNDP case involved a complainant who alleged they had received a negative performance evaluation and limited duration contract extension recommendation from their supervisor as a result of having previously filed a harassment complaint against that individual. While the office referred the matter to OAI, both the complainant and the subject subsequently left UNDP prior to the initiation of the OAI investigation for reasons entirely unrelated to the matter. The investigation was accordingly closed.

71. The second prima facie finding concerned a complainant who alleged retaliatory office marginalization and legitimately feared non-renewal of their contract, subsequent to cooperating with a harassment and abuse of authority investigation against their supervisor. As per its usual practice, when the Ethics Office determines that a prima facie case of retaliation has been established, it will consult with the complainant on that finding and discuss possible interim protection measures prior to referring the matter for investigation. In the noted case, the complainant informed the office during its pre-referral consultation that, as their contract had just been renewed, they did not wish to pursue the matter further at that time. While the office informed the complainant that it would keep the matter open and remained available for further discussions, the complainant did not subsequently return to the office.

72. The third case involved a complainant who alleged had been stripped of work responsibilities by their supervisor after reporting alleged harassment against that individual. While finding a prima facie case of retaliation, the complainant authorized the Ethics Office to first consult with the senior management of their organization and

the Office of the Ombudsman to explore possible informal resolution of their case (the UNDP protection against retaliation policy provides complainants the option of pursuing informal resolution through the Office of the Ombudsman to resolve their raised concerns). The complainant remains engaged with the Ombudsman.

73. Any retaliation complainant who seeks to contest an Ethics Office “no prima facie” retaliation finding may refer the matter to the Chairperson of Ethics Panel of the United Nations for independent review. In 2019, four retaliation complainants appealed the no prima facie findings received from the office for review. While one of these cases was from 2018, the other three were from among the office’s eight no prima facie findings in 2019. The office’s no prima facie findings for all four cases were upheld by the EPUN Chairperson.

74. Given that the majority of received retaliation complaints in 2019 involved initial harassment complaints against supervisors, followed by contract-related disputes, the Ethics Office considers that the UNDP protection against retaliation policy is being used by many UNDP contract holders as a labour dispute mechanism to address workplace conflicts and to contest employment decisions. In that regard, in addition to filing protection against retaliation requests, such complainants often tend to contemporaneously avail themselves of other available recourse mechanisms, such as requests for management evaluation and applications to the United Nations Dispute Tribunal. Noting that the original intent of whistleblower protection within the United Nations was to encourage the reporting of conduct harmful to the interests and operations of the organization (such as fraud and corruption), and also highlighting that other United Nations system ethics offices report similar experiences as the UNDP Ethics Office concerning staff use of their protection against retaliation policies as a general grievance mechanism, this issue continues to be discussed within the Ethics Panel of the United Nations.

75. Given that whistleblowing on serious matters of public interest and organizational integrity ultimately strengthens an organization’s capacity for institutional redress and accountability, the Ethics Office continues to robustly advocate for a speak-up culture within UNDP as an essential component of identifying, managing and remedying operational and reputational risk.

#### **IV. The Ethics Panel of the United Nations and the Ethics Network of Multilateral Organizations**

76. The Director of the Ethics Office continued to participate in monthly meetings of the Ethics Panel of the United Nations. Composed of the heads of ethics offices of the United Nations Secretariat and funds and programmes, and chaired by the Director of the United Nations Secretariat Ethics Office, EPUN is mandated to establish a unified set of ethics standards and policies and to consult on complex ethics matters having system-wide implications. In addition to providing his public and private sector ethics expertise to EPUN, the Director conducted two reviews of contested protection against retaliation findings from the Secretariat Ethics Office as EPUN Alternate Chair pro tem.

77. The Director also remained an active member of the Ethics Network of Multilateral Organizations, comprised of ethics officers from United Nations system entities, affiliated international organizations, and international financial institutions. The Director attended the ENMO annual meeting in Munich, Germany in July 2019, and participated on a panel addressing civility, sexual harassment and sexual exploitation and abuse. Throughout the reporting period, individual EPUN and ENMO members continued to seek out the office’s guidance on a range of ethics issues.

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## **V. Recommendations to management to strengthen the UNDP culture of integrity and compliance**

78. In its decision 2011/24, the Executive Board called on the Ethics Office to issue recommendations to management on the strengthening of the UNDP culture of ethics, integrity and accountability. As reported, in 2019 the office identified concerns regarding the UNDP recruitment and selection framework policy and the UNDP policy on special leave. Given UNDP management has committed to addressing the office's raised concerns for both policies, and noting that the organization's leadership continues to fully support the office's efforts to incorporate ethics into UNDP decision-making and operations, the office does not issue any management recommendations for the 2019 reporting period.

## **VI. Conclusion**

79. In 2019, the Ethics Office continued to promote the pragmatic business value of ethics, reinforcing that ethical conduct and decision-making is fundamental to the integrity and effectiveness of UNDP operations and programmes. Acting as an independent, confidential, impartial resource, the office remains committed to developing engaging ethics initiatives and rendering informed advice that is consistently timely and reliable and has real-world applicability. As a direct result of the office's extensive outreach and awareness-raising work and quality advisory services, the office's counsel is consistently sought by UNDP leadership and personnel before actions or decisions are taken so as to avoid unintended or unanticipated consequences that could have detrimental impact on UNDP reputation and standing. The office accordingly continues to cultivate and nurture its collaborative relationships with UNDP personnel and offices around the globe, guided by the best interests of the organization. As a result of this sustained work, the office continues to experience year-on-year increases in requests for its services, including requests for ethics guidance and the delivery of ethics training.

80. Through its expansive range of ethics activities, and its direct engagement with UNDP personnel and offices, the Ethics Office has maintained its critical role in fostering and upholding a UNDP culture of integrity and accountability. Committed to assisting the organization in preventing, mitigating and managing ethical and reputational risk, the office remains a key institutional partner in protecting the interests and credibility of UNDP.

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