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Review of the efficiency of the administrative and financial functioning of the United Nations

Eighth progress report on the accountability system in the United Nations Secretariat

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the eighth progress report of the Secretary-General on the accountability system in the United Nations Secretariat ([A/73/688](#)), submitted pursuant to General Assembly resolution [72/303](#). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 28 February 2019.

2. The eighth progress report of the Secretary-General comprises two parts: the first part (section II) provides an update on progress in enhancing accountability under the new management paradigm, including: (a) improving the system of delegation of authority; (b) strengthening the implementation of results-based management; and (c) establishing the Business Transformation and Accountability Division. The second part (section III) provides an overview of the status of accountability in the Secretariat against the six components of the accountability system: (a) the Charter of the United Nations; (b) the programme planning and budgetary documents of the Organization; (c) results and performance; (d) internal control systems; (e) ethical standards and integrity; and (f) oversight functions (see also [A/72/773](#), annex I).

II. Background

3. In its resolution [60/260](#) on investing in the United Nations: for a stronger Organization worldwide, the General Assembly, inter alia: (a) stressed the importance of strengthened accountability in the Organization and of ensuring greater accountability of the Secretary-General to Member States, inter alia, for the effective

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and efficient implementation of legislative mandates and the use of human and financial resources; and (b) requested the Secretary-General to define accountability and accountability mechanisms and to propose clear parameters for the application and rigorous enforcement of accountability at all levels.

4. In its resolution [63/276](#), the Assembly requested the Secretary-General to provide a comprehensive report, including on the measures and proposals outlined in paragraph 9 of the resolution. These included a clear definition of accountability as well as a clear definition of responsibilities resulting from the delegation of authority, and guidelines for programme managers for exercising that authority as well as systematic reporting mechanisms on how the delegated authority is exercised. In addition, the Assembly requested a detailed plan and road map for the implementation of the enterprise risk management and internal control framework.

5. In its resolution [64/259](#), the General Assembly took note of the comprehensive report of the Secretary-General, entitled “Towards an accountability system” ([A/64/640](#)), and provided further guidance on the implementation of the measures proposed in that report. The Assembly also decided on the following definition of accountability, which remains in effect.

Accountability is the obligation of the Secretariat and its staff members to be answerable for all decisions made and actions taken by them, and to be responsible for honouring their commitments, without qualification or exception.

Accountability includes achieving objectives and high-quality results in a timely and cost-effective manner, in fully implementing and delivering on all mandates to the Secretariat approved by the United Nations intergovernmental bodies and other subsidiary organs established by them in compliance with all resolutions, regulations, rules and ethical standards; truthful, objective, accurate and timely reporting on performance results; responsible stewardship of funds and resources; all aspects of performance, including a clearly defined system of rewards and sanctions; and with due recognition to the important role of the oversight bodies and in full compliance with accepted recommendations.

6. Since its sixty-sixth session, the Secretary-General has submitted to the General Assembly an annual report on progress in the implementation of the accountability system, for its consideration.

7. In the context of the latest management reforms – on shifting the management paradigm in the United Nations – the Secretary-General stated that he had identified six key challenges to be addressed, including gaps in transparency and accountability. The Secretary-General outlined his vision for addressing those challenges and proposed a series of changes to the management of the Organization, including delegating managerial authority to programme managers and demanding greater accountability from them for mandate delivery ([A/72/492](#), summary and paras. 5–11). In its related resolutions on the proposals of the Secretary-General for management reform ([72/266](#) and [72/266 B](#)), the General Assembly stressed that accountability is a central principle of management reform and also central for the successful management of the Organization. The Assembly further requested the Secretary-General to continue to develop a clear, simple and transparent system for delegating authority and to ensure that responsibilities and accountability are aligned. The Assembly also requested the Secretary-General to put in place additional measures aimed at ensuring operational effectiveness and strong internal controls for enhanced accountability.

8. In his previous (seventh) annual progress report on accountability ([A/72/773](#)) the Secretary-General presented an updated version of the accountability system in

the Secretariat, including the new elements related to the proposed management reform, consisting of six main components that are embedded in the definition of accountability (see paras. 2 and 5 above). The Secretary-General further indicated that delegation of authority will be accompanied by complementary management reforms, such as: (a) simplifying and streamlining of policies and procedures; (b) introducing a new performance monitoring and compliance function using improved data, dashboards, self-evaluation, management reviews, quality assurance exercises and improved reporting; (c) updating the Secretariat's accountability system that is understandable to staff at all levels, with clear guidance on the Organization's values, principles, structures, processes and policies; (d) strengthening implementation of results-based management; (e) implementing a "three lines of defence" model¹ to improve risk management; (f) strengthening the senior managers' compact system to better assess senior managers' performance; (g) adopting a statement of internal control to be signed by all senior managers; and (h) creating an accountability matrix that clearly sets out the delegated authorities and responsibilities.

9. In its related report ([A/72/885](#)), the Advisory Committee recommended that the Secretary-General be requested to provide in his next (eighth) report further information on a number of elements, including: (a) the impact of the simplification of policies and procedures and of the changes to the system of delegation of authority on internal controls and on the Financial Regulations and Rules (para. 35); (b) how the implementation of results-based management will be used to demonstrate progress in strengthening accountability, and how improvements in the delivery of mandates and achievement of objectives will be assessed and measured (para. 38); (c) details on the practical application of the "three lines of defence" model, including how ownership of risk by individual managers is improving internal controls and accountability of senior managers (para. 40); (d) some examples of the delegation of authority matrices for typical key functions to enable a better understanding of the functioning of the new system of delegation of authority, such as the delegation of authority matrices for heads of Secretariat entities, procurement officers, certifying officers and approving officers (para. 44); (e) information on measures to further strengthen the senior managers' compact system (para. 47); (f) information on how the statement of internal control is to be operationalized and certified and used as an instrument for accountability (para. 48); and (g) information on progress in the development of dashboards for Member States (para. 49). The General Assembly, inter alia, endorsed the conclusions and recommendations of the Committee in its resolution [72/303](#).

III. Eighth progress report on accountability in the United Nations

A. Presentation

10. The Advisory Committee welcomes the efforts made to improve the clarity of this year's progress report and encourages the Secretary-General to continue to enhance the presentation of the annual progress report on accountability.

¹ Under the three lines of defence model, management control and internal control measures at the operational level are the first line of defence in risk management. The second line of defence consists of various risk management and compliance functions to support and monitor the first line of defence. Independent assurance on the effectiveness of risk management and internal controls, including the manner in which the first and second lines of defence achieve risk management and control objectives, form the third line of defence (see [A/72/773](#), para 16).

11. In its previous report, the Advisory Committee noted that, to date, progress reports on accountability had mostly provided descriptions of the administrative policies, procedures, tools and systems implemented or envisaged for implementation under the different areas of the accountability system, but that few details had been provided on the implementation of the various accountability measures, the mechanisms for monitoring the application of those measures or the indicators and performance measures used to assess progress and the effectiveness of those measures in terms of strengthening accountability. While recognizing that the accountability system consisted of a range of components and that accountability-related information was provided across multiple reporting mechanisms, such as budget proposals, budget performance and programme performance reports, the Committee expressed its view that the annual progress reports on accountability should be enhanced to provide – in addition to details and proposals on specific accountability policies – systems and mechanisms that could include a set of indicators² to monitor overall trends and progress resulting from the implementation of the system of accountability. The Committee recommended that the Secretary-General be requested to expand the content of future progress reports on the implementation of the accountability system in the Secretariat by providing more complete information on the overall status of accountability in the Secretariat, with key performance indicators and supporting statistical information to substantiate results, as well as an analysis of the impact of the application of specific accountability measures (A/72/885, para. 53). That recommendation was endorsed by the General Assembly in its resolution 72/303.

12. In his report, the Secretary-General states that, pursuant to paragraph 19 of resolution 72/303, the progress report includes a new section that provides an overview of the status of accountability in the Secretariat. The report further states that, in response to paragraph 53 of the previous report of the Advisory Committee, the Secretariat has conducted a self-assessment using two alternative methodologies,³ and furthermore that a self-evaluation will be conducted to assess how the existing components are functioning to inform the overview section in future accountability reports (A/73/688, paras. 31–33). **The Committee trusts that the outcome of the self-assessment exercise will be provided to the General Assembly at the time of its consideration of this item and looks forward to receiving information on the self-evaluation in the next progress report. The Committee considers nevertheless that, in his report, the Secretary-General does not adequately respond to the specific request made in paragraph 53 of its previous report. Accordingly, the Committee recommends that the Assembly reiterate its previous request on the expansion of the content of future progress reports on the accountability system of the Secretariat. The Committee is of the view that the inclusion of information on trends in Secretariat-wide managerial performance and accountability will facilitate the assessment of progress made in improving the accountability of the Secretariat to Member States.**

² In areas such as compliance with regulations and rules; financial, programmatic and managerial performance; the achievement of results; the accountable exercise of duties, responsibilities and delegated authorities; the status of the culture of accountability in the Secretariat; as well as ethics, conduct and discipline, sexual exploitation and abuse and the administration of justice.

³ The internal audit guide on assessing the effectiveness of an organization's accountability framework of the Institute of Internal Auditors; and the Joint Inspection Unit benchmarks contained in its report on accountability frameworks in the United Nations system (A/66/710/Add.1).

B. Progress in enhancing accountability under the new management paradigm

13. In his eighth report, the Secretary-General states that there are three priority areas for strengthening accountability under the new management paradigm, namely: (a) strengthening the system of delegation of authority; (b) strengthening the implementation of results-based management; and (c) establishing the Business Transformation and Accountability Division in the Department of Management, Strategy, Policy and Compliance.

1. Delegation of authority

14. In his eighth progress report, the Secretary-General indicates that he issued a bulletin ([ST/SGB/2019/2](#)), effective 1 January 2019, that sets out the standard authorities in four functional areas – human resources, finance and budget, procurement and property management – that a head of entity may receive under the Staff Regulations and Rules and the Financial Regulations and Rules, depending on the capacity of the entity to receive and exercise the delegations. He further states that all delegations of authority are issued and recorded through a dedicated online portal. In addition, heads of entities received a formal document or letter addressed to them by the Secretary-General on the authority delegated to them. As the Secretary-General indicates in his report, the letter states that any delegation granted to heads of entities is in relation to their current roles and functions, and that the letter also sets out their personal responsibilities for duly discharging the authority delegated to them and accountability for incorrectly applying or failing to discharge the authority granted. Furthermore, the letter states that the authority delegated to a head of entity may be further delegated along reporting lines and on a functional basis, and be consistent with responsibilities. Nevertheless, the head of entity will remain accountable and responsible. Upon enquiry, the Advisory Committee was provided with a copy of the letter. **The Committee trusts that a copy of the letter will be made available to the General Assembly at the time of its consideration of this item.**

15. In his report, the Secretary-General states that interim amendments to the Financial Rules have been promulgated to facilitate the implementation of the new delegation of authority framework ([A/73/688](#), para. 57). The Advisory Committee notes that the interim amendments have not been provided to the General Assembly. The Committee will comment further on this matter in the context of its consideration of the report of the Secretary-General on the proposed amendments to the Financial Regulations of the United Nations, which is currently before the General Assembly ([A/73/717](#)).

16. The Advisory Committee is of the view that there is a need to provide the General Assembly with further details on the preparatory activities and other changes that occurred when the new system of delegation of authority came into effect on 1 January 2019. This includes, for instance, details on: (a) the criteria applied and type of assessment of staff and other resources that took place to determine whether entities had the capacity to receive the delegated authorities; (b) examples of cases where the authority was not given in a comprehensive manner to heads of entities, and those entities receiving the authority instead, as well as the areas in which the entities had been deemed to be lacking in capacity; (c) the shift in workload and responsibilities resulting from the transfer of functions and processes, and the related transfer of resources or adjustments to post/position levels. **The Committee recommends that the General Assembly request the Secretary-General to provide the above information in his next (ninth) progress report on accountability.**

17. With regard to the assessment of the capacity of the entity to receive and exercise delegated authority, the Advisory Committee was informed that, as part of an overall desk review of each entity, a capacity review team comprising subject matter experts had reviewed the responses to a questionnaire issued to heads of entities covering the overall profile and structure of the Entity, including staffing and financial resources across all management functional areas, as well as any existing arrangements with service providers, such as the United Nations Office at Geneva, the United Nations Office at Nairobi or the United Nations Office at Vienna. The Committee recalls that, in his report on shifting the management paradigm, the Secretary-General indicated, *inter alia*, that managers recruited against specific functions would be selected and maintained in their positions on the basis of their ability to responsibly and accountably exercise those delegations. Furthermore, the scope of the delegation of authority necessary to carry out the responsibilities entrusted to the head of an entity would be determined by the Secretary-General, on the basis of guidance from the Department of Management Strategy, Policy and Compliance, in consultation with the Department of Operational Support, based on a risk assessment supported by analytics and individual oversight data ([A/72/492/Add.2](#), paras. 14 and 50). The Committee also recalls its view that, if additional authorities are to be delegated to senior managers for the management of their financial, human and physical resources, the requirements of those positions in terms of the level of managerial skills and experience should be adapted accordingly (see [A/72/7/Add.24](#), para. 12). **The Committee trusts that further information on the capacity assessment process, including details on the criteria applied, will be provided in the next progress report.**

18. In his report, the Secretary-General indicates that the Monitoring and Evaluation Service of the Business Transformation and Accountability Division will monitor key performance indicators across human resources, finance, procurement, travel and property management by using information from Umoja, Inspira and Unite Apps and/or requesting information from managers and by conducting management reviews ([A/73/688](#), para. 18). Upon request, the Advisory Committee was provided with a copy of the initial Accountability Framework for Monitoring the Exercise of Delegated Decision-Making Authority, including the initial performance management framework (see annex). The Committee was informed that the Framework contained an initial set of key performance indicators covering four functional areas – human resources, finance and budget, procurement and property management – against which decision-making in entities was monitored to ensure that heads of entity and anyone to whom they subdelegated an authority complied with the applicable legal and policy framework and internal controls. While noting that the framework is still at an initial stage of development, the Committee questions the relevance of some of the indicators as a measure of progress.⁴

19. The Advisory Committee recommends that the General Assembly request the Secretary-General to refine the indicators of the above-mentioned initial performance management framework and to enhance the framework to include indicators on accountability for the efficient use of resources and effective implementation of mandates. The Committee trusts that full use will be made of data emanating from Umoja and other enterprise systems, in order to generate concrete and meaningful indicators, performance measures and supporting data on the implementation of delegation of authority and to provide evidence of the intended progress in mandate delivery.

⁴ For instance, tracking the percentage of selected staff from unrepresented and underrepresented countries (minimum 50 per cent) will not measure progress towards a geographically diverse workforce, unless the target is refined to monitor the selection of external candidates only.

20. Upon enquiry, the Advisory Committee was informed that, in instances where there appeared to be weaknesses in the exercise of decision-making, additional guidance and capacity-building might be provided to the entity or the delegated authorities might be suspended, amended or withdrawn. Furthermore, cases of improper exercise of delegated authority might result in the application of disciplinary measures or the imposition of personal financial liability, in accordance with staff rule 1.7 and financial rule 101.2. Examples of improper exercise of delegated authority included transgressions such as the inappropriate use of exceptions to formal methods of solicitation or the fraudulent use of a bank account. In addition, delegated authority could also be withdrawn pending the completion of an investigation. **The Committee recommends that the General Assembly request the Secretary-General to document and draw lessons from cases of withdrawal of delegated authority. The Committee further recommends that the Secretary-General be requested to analyse those cases and to report to Member States on the matter.**

21. The Advisory Committee notes that, in his report, the Secretary-General provides information on the high-level changes to the system of delegation of authority, whereby the central authority and accountability held by the Secretary-General for the administration of the Staff Regulations and Rules and the Financial Regulations and Rules is delegated to the heads of Secretariat entities. **The Committee trusts that further information on the procedures, practices and internal controls regarding authorities subsequently sub-delegated by heads of entities will be provided in the next progress report on accountability.**

22. **The Advisory Committee trusts that the General Assembly will be provided with independent assurances that the requisite safeguards, including risk and accountability mechanisms are in place to ensure the responsible exercise of the delegation of authority and stewardship of resources under the new management paradigm. The Committee looks forward to receiving information on the observations of the Board of Auditors regarding internal financial controls in the context of the Board's forthcoming audits on the financial statements of the United Nations (Volume I) and of peacekeeping operations (Volume II).**

2. Results-based management

23. In its resolution [72/303](#), the General Assembly reaffirmed that results-based management and performance reporting are essential pillars of a comprehensive accountability framework, recognized the need to strengthen the capacity of the Secretariat for programme monitoring and reporting and noted the development of the action plan for the implementation of results-based management in the United Nations Secretariat, 2018–2021.

24. In his report, the Secretary-General states that the Secretariat is making progress in the implementation of the above-mentioned action plan. He indicates that, in 2018, he issued a communication to senior managers on the need to shift to a culture of results, and that their compacts include an indicator to assess their contribution to the implementation of the action plan. He further indicates that the Umoja Extension 2 solution for strategic planning, budgeting and performance management, which allows linkages between programme performance and financial performance as required for results-based management, will be used for producing the peacekeeping budgets for 2019/20, for planning activities funded by voluntary contributions for 2019 and for the proposed programme budget for 2020. Going forward, he indicates that the dedicated results-based management team of the Business Transformation and Accountability Division will continue to support efforts to embed results-based management in the daily work of staff, and that Umoja Extension 2 will better support

results-based management and enable a better assessment of the effective and efficient utilization of resources (see [A/73/688](#), paras. 22–25).

25. **The Advisory Committee is of the view that there is a need for the Secretary-General to provide the General Assembly with concrete information and examples of improvements resulting from the implementation of results-based management, as set out in annex II to the eighth progress report. This should include, for instance: (a) the behaviours and other elements that will demonstrate the successful shift of senior managers to a culture of results; (b) the specific indicators that will allow an assessment of the effective and efficient use of resources and of improvements in programme delivery; and (c) the data that will be used to show the linkages between programme performance and financial performance.**

3. Establishment of the Business Transformation and Accountability Division

26. In his report, the Secretary-General states, inter alia, that the new management paradigm is dependent on the Secretariat's ability to ensure a more structured and rigorous implementation of the accountability system than previously achieved and that, prior to the establishment of the new Division, there was limited dedicated capacity and capability for that purpose. He also states that the Division will provide dedicated support to managers and staff to help them to understand what is expected with respect to governance, policy, risks and internal controls. He further states that, going forward, the Division will finalize comprehensive guidance on accountability; provide guidance and support on delegation of authority; embed the "three lines of defence" risk management model at all levels of the Secretariat; monitor performance and compliance; strengthen self-evaluation; and conduct systematic management review and quality assurance exercises. **The Advisory Committee considers that the need for fully functioning support and oversight structures is a critical prerequisite to the delegation of authority to the heads of entities. The Committee trusts that the Secretary-General will provide details of progress and achievements in operationalizing the Division in his next progress report.**

C. Overview of the status of accountability in the Secretariat

1. Component 1: the Charter of the United Nations

27. As the Secretary-General indicates in paragraph 34 of his report, the General Assembly, in paragraph 6 of its resolution [72/303](#), noted the importance of compliance with the Charter, its resolutions and the regulations and rules as one of the essential components of accountability.

28. The Advisory Committee recalls that, in an earlier report ([A/71/820](#), paras. 25–28), it was informed of the steps that had been taken to track the implementation status of General Assembly resolutions on administrative and budgetary matters and that comprehensive information on the implementation status would be included in the biennial programme performance report. In paragraph 9 of its resolution [72/303](#), the General Assembly reiterated that such information should be included in the performance reports on the programme budget (see also [A/72/885](#), para. 17). **Accordingly, the Committee trusts that information on the implementation status of General Assembly resolutions on administrative and budgetary matters will henceforth be provided in the context of the performance reports on the programme budget. The Committee further recommends that the General Assembly request the Secretary-General also to include a summary of this implementation status in future progress reports on accountability (see para. 12 above).**

2. Component 2: programme planning and budget documents

29. The Advisory Committee will comment on the programme planning and budget documents in the context of its consideration of the forthcoming budget proposals for 2020.

3. Component 3: results and performance

30. This component of the accountability system covers organizational performance, the senior managers' compacts and the performance appraisal system.

Senior managers' compacts

31. With regard to the senior managers' compacts, the Secretary-General indicates in his report that the 2019 compacts include indicators relating to the implementation of results-based management and the exercise of delegated authority in full compliance with regulations and rules and all relevant policies and guidelines. In addition, a 360-degree evaluation mechanism was pilot tested in December 2018 and will be rolled out in 2019. Furthermore, a dedicated team under the Business Transformation and Accountability Division will assess performance against 2018 performance indicators, provide support to senior managers and submit the final 2018 compacts to the Secretary-General for approval. The dedicated team will also monitor the 2019 compacts using performance dashboards. **The Advisory Committee is of the view that data from the individual compacts could be analysed and processed by the dedicated team to provide an overview of the status and trends of departmental performance and accountability and further consolidated to provide an overview of Secretariat-wide performance and accountability (see para. 12 above). The Committee trusts that the Secretary-General will provide further information on this matter in his next progress report.**

Performance appraisal system

32. With regard to the performance appraisal system and the implementation of an effective system of incentives for strong performance, remedial action for underperformance and sanctions for unsatisfactory behaviour and misconduct, the Secretary-General indicates in his report that: (a) the Staff-Management Committee working group on performance management was re-established in April 2018, in response to the recommendations of the International Civil Service Commission (ICSC) on performance management schemes in common system organizations and on performance incentives; and (b) the Office of Human Resources Management has conducted a gap analysis to identify areas of improvement and will develop options to respond to the gap analysis, and systems of incentives for good performance and sanctions for underperformance will be implemented by March 2020. Upon enquiry, the Advisory Committee was informed that the recommendations of ICSC that could be implemented immediately included efforts in support of creating a culture of appreciation. **The Committee recalls that, in its previous report, it reiterated its view, which was endorsed by the General Assembly (see resolution 71/283, para. 16), that the current ratings distribution may not be an accurate reflection of performance in the Secretariat and noted the need for specific measures that would result in more credible ratings (see A/72/885, paras. 18–23). The Committee further recalls that, in its resolution 72/255, the General Assembly approved the principles and guidelines for performance appraisal and management for the recognition of different levels of performance, as recommended in paragraph 65 and annex VI of the report of ICSC for 2017 (A/72/30 and Corr.1). The Committee will comment further on the performance appraisal system in the context of its next report on human resources management.**

4. Component 4: internal control systems

Regulations, rules, manuals, administrative issuances and standard operating procedures

33. In his eighth progress report, the Secretary-General indicates that the first phase of amendments to the Staff Regulations and Rules ([A/73/378](#)) was submitted to the General Assembly for its consideration at its seventy-third session and that additional amendments on contractual arrangements are to be proposed in 2019 and on conditions of service in 2020. In its related report, the Advisory Committee recommended that the General Assembly request the Secretary-General to submit a refined report on proposed amendments to the Staff Regulations and Rules, separating out those amendments required to ensure consistency with the decisions of the General Assembly on human resources matters (see [A/73/622](#), para. 12). The Committee recalls that, in its decision 73/547, the General Assembly decided to defer until the main part of its seventy-fourth session its consideration of the report of the Secretary-General and the related report of the Committee.

34. In his report, the Secretary-General states that revisions to the Financial Regulations have been submitted for consideration by the General Assembly ([A/73/717](#)) and that these will be accompanied by changes to related policies in the areas of budget and finance, procurement and property management. The Advisory Committee will comment further on this matter in the context of its forthcoming related report.

35. In addition, the Secretary-General indicates in his report that a new administrative instruction governing procurement will be issued and that the revision to the United Nations Procurement Manual will be completed by 31 March 2019.

Enterprise risk management system

36. The Secretary-General indicates the Business Transformation and Accountability Division incorporates a dedicated enterprise risk management team to support entities in undertaking risk assessment exercises to identify, evaluate and manage the specific risks that might affect the functioning of their operations. Furthermore, a second Secretariat-wide risk assessment is being prepared on the basis of the previous such exercise conducted in 2014 and the fraud and corruption risk assessment conducted in 2018 as well as the ongoing risk assessment on the implementation of the management reform. The Secretary-General further states that, following the implementation of delegation of authority to heads of entities, the team will support the Secretariat in embedding the “three lines of defence” model in the enterprise risk management processes. He further states that the heads of the entity constitute the first line of defence and must identify specific risk owners from their senior management teams, who are responsible for ensuring controls systems are in place and operating effectively to mitigate risks. **The Advisory Committee trusts that the Secretary-General will include in his next progress report comprehensive information on the findings and outcome of the above-mentioned risk assessment exercise. The Committee stresses the importance of the risk management function under the new system of delegation of authority and recommends that the General Assembly request the Secretary-General to report comprehensively on progress made towards embedding risk ownership and risk management in Secretariat entities in his next progress report.**

37. The Advisory Committee recalls that, in his report on shifting the management paradigm ([A/72/492](#), para. 6), the Secretary-General stated that the focus of oversight mechanisms must shift away from ex ante control to ex post facto compliance, matched by accountability for results. **The Committee notes that such a change in**

focus may increase the level of risk and stresses the need to strengthen the risk management function in line with the changes to the level of the risk profile.

Statement of internal control

38. In his eighth progress report, the Secretary-General states that heads of entities will be required to sign a statement of internal control at the end of each year attesting to their compliance with the internal control framework under their area of responsibility, which will be in place by the first quarter of 2021. Upon enquiry, the Advisory Committee was informed that such a statement would normally include: (a) the scope of responsibility and purpose of internal controls; (b) a description of the operating environment of the Organization; (c) a description of the accountability and internal control framework of the Organization; (d) the process followed to review the effectiveness of the internal controls; (e) the effectiveness of the internal controls; and (f) the signature of the head of the entity. The Committee recalls that, in its report for the year ended 31 December 2011, the Board of Auditors initially recommended the development of a statement of internal control ([A/67/5 \(Vol. I\)](#) chap. II para. 171) and, in its report for the year ended 31 December 2013, reiterated its recommendation ([A/69/5 \(Vol. I\)](#) chap. II, para. 48). Subsequently, in its report for the year ended 31 December 2017 ([A/73/5 \(Vol. I\)](#)), the Board noted that it had not been provided with any evidence of any progress made in that regard. In its related report, the Committee noted the delay with concern, expressing its view that such a statement was an essential instrument of accountability in the context of the reform of the delegation of authority ([A/73/430](#), para. 31). **The Committee expects the statement of internal control to be fully operational by the first quarter of 2021 as planned, without any further delays, allowing senior managers in 2020 to attest to their compliance with the internal control framework in exercising the authorities delegated to them. The Committee trusts that an update on implementation status will be provided in the next progress report.**

Evaluation

39. In his report, the Secretary-General states that the Business Transformation and Accountability Division will issue guidelines on the conduct of self-evaluation in 2019, and that a dedicated evaluation team has been created that will support Secretariat entities to develop their evaluation plans for 2019 and 2020. Going forward, the evaluation team will be responsible for developing evaluation policies and procedures, analysing evaluation results and findings and maintaining a roster of evaluation experts and a community of practice. **The Advisory Committee trusts that a summary of the key findings and outcomes of the self-evaluation exercises will be included in the next progress report (see para. 12 above).**

Oversight coordination

40. In his eighth progress report, the secretary-General indicates that a dedicated team has been designed in Business Transformation and Accountability Division to provide continuous monitoring and follow-up services on the implementation of oversight recommendations and to conduct reviews of the reports of oversight bodies every six months to identify trends and systemic issues and comprehensive solutions to Secretariat-wide problems. He further indicates that the first review will be prepared by 30 June 2019. **The Advisory Committee trusts that a summary of the key findings of the above-mentioned reviews will be included in the next progress report (see para. 12 above).**

Anti-Fraud and Anti-Corruption Framework of the United Nations

41. In his eighth progress report, the Secretary-General indicates that, to address a long-standing concern of the Board of Auditors, the Secretariat conducted a fraud and corruption risk assessment in 2017 to identify the most critical areas at risk of fraud and corruption and an enterprise-wide campaign against fraud and corruption. However, in its most recent report on the United Nations ([A/73/5 \(Vol. I\)](#) chap. II), the Board of Auditors continues to note that there is still a need to reinforce staff awareness of the fraud-related risks faced by the Organization. The report states that, going forward, the Secretariat will raise awareness of this issue both at Headquarters and in the field, complete risk assessments of individual Secretariat entities and develop and implement a Secretariat-wide anti-fraud and anti-corruption strategy, in line with the recommendations of the Board of Auditors. The Advisory Committee recalls that, in its resolution [72/303](#), the General Assembly requested the Secretary-General to intensify his efforts to ensure implementation of the provisions of the Anti-Fraud and Anti-Corruption Framework. **The Committee recommends that the General Assembly request the Secretary-General to provide in his next progress report details on the implementation status of the recommendations of the Board of Auditors as well as other actions taken to address the Board's concerns regarding the management of the risk of fraud.**

Conduct and discipline

42. In his report, the Secretary-General provides some data from the compendium of disciplinary measures outlining the practice of the Secretary-General in disciplinary matters and cases of criminal behaviour from 1 July 2009 to 31 December 2017, as reflected in the annual reports of the Secretary-General on disciplinary matters. The compendium indicates that the number of staff subject to disciplinary measures or having been either separated or dismissed owing to misconduct has increased more than threefold between 2009 and 2017. The Secretary-General further states that the Secretariat will continue to monitor and analyse the situation. The Advisory Committee will comment further on the conduct and discipline matters in the context of its next report on human resources management.

5. Component 5: ethical standards and integrity

43. Under this component of the accountability system, the Secretary-General provides in his report information on protection from retaliation, preventing sexual exploitation and abuse, and combating sexual harassment.

Protection from retaliation

44. In his report, the Secretary-General indicates that a strengthened policy on protection against retaliation, reporting misconduct and cooperating investigations ([ST/SGB/2017/2](#)) was promulgated on 20 January 2017 and provides statistics on the number of requests for advice as well as on the outreach activities of the Ethics Office. A revised policy went into effect on 28 November 2017 ([ST/SGB/2017/2/Rev.1](#)). The Advisory Committee recalls that, in its resolution [72/303](#), the General Assembly requested the Secretary-General to continue to take appropriate measures for the protection of whistle-blowers and the prevention of retaliation, as part of the efforts aimed at improving the culture of accountability in the Secretariat. The Committee will comment further on this matter in the context of its consideration of the next report of the Secretary-General on the activities of the Ethics Office.

Preventing sexual exploitation and abuse and combatting sexual harassment

45. In paragraphs 86 to 96 of the eighth progress report, the Secretary-General provides an overview of measures to prevent sexual exploitation and abuse and combat sexual harassment. Given that the report of Secretary-General on special measures for protection from sexual exploitation and abuse ([A/73/744](#)) is currently before the Assembly, the Advisory Committee will provide its comments and recommendations on these matters in the context of its related report.

6. Component 6: oversight functions

46. In his report, the Secretary-General provides information on the implementation status of the cumulative recommendations issued by the Office of Internal Oversight Services (OIOS) and the Board of Auditors (BOA) over the period 2008 to 2017, and by the Joint Inspection Unit from 2008 to 2018. Annex I to the report of the Secretary-General contains a breakdown of the number of recommendations of OIOS and the Board of Auditors implemented by year.

47. With regard to the Board of Auditors, it is indicated that of a total of 798 recommendations issued over the 10-year period from 2008 to 2017, 667 recommendations (82 per cent) have been either implemented by the Secretariat or overtaken by events, and that 131 recommendations (16 per cent) remain under implementation. Upon request for an update, the Advisory Committee was informed that, based on the latest reports of the Board of Auditors on the United Nations ([A/73/5 \(Vol. I\)](#)) and on peacekeeping operations ([A/73/5 \(Vol. II\)](#)), of the 272 recommendations issued by the Board of Auditors for the period 2014 to 2016, 139 had been implemented and 21 had been overtaken by events or closed by the auditors, representing a combined implementation rate of 59 per cent.

48. With regard to OIOS, the report indicates that: (a) of a total of 12,715 recommendations issued from 2008 to 2017, 11,637 (some 91 per cent) have been either implemented or closed by the Secretariat, with 1,078 (8.5 per cent) recommendations remaining under implementation; and (b) of a total of 2,586 critical recommendations, 2,559 (some 99 per cent) have been implemented or closed by the Secretariat. Upon request for an update, the Advisory Committee was informed that, based on the latest annual report of OIOS ([A/73/324 \(Part I\)/Add.1](#)), of the 3,356 recommendations issued for the period 2015 to 2017, 2,290 had been implemented and 91 had been closed, representing a 71 per cent implementation rate.

49. The Advisory Committee emphasizes the need for the full and timely implementation of the recommendations of oversight bodies.

50. The Advisory Committee welcomes the inclusion of information on the implementation status of the recommendations issued by the oversight bodies in the progress report of the Secretary-General on accountability and encourages the Secretary-General to continue to expand and refine the indicators and data provided. The Committee is of the view that, in addition to the cumulative implementation rate of oversight recommendations over the past 10 years provided in the report of the Secretary-General, it would be useful to complement the information above with additional data/indicators to show trends in audit findings and issues, and also allow comparisons with the reporting of the oversight bodies on the implementation status of their recommendations. This could include, for instance: (a) the number of recommendations issued per year, which could provide an indication of trends in the audit findings and issues; (b) the number of outstanding recommendations at the start of each year, with an aging factor indicating the percentage of outstanding recommendations issued over each of the prior three years and

before; and (c) the number of recommendations closed by the oversight body by year. The Committee emphasizes again the need for the full and timely implementation of the recommendations of oversight bodies.

IV. Other matters

Timely and accurate submission of documentation

51. In its resolution [72/303](#), the General Assembly reiterated that the timely submission of documents is an important aspect of the accountability of the Secretariat to Member States and requested the Secretary-General to ensure the continued inclusion in the senior managers' compacts of a related managerial indicator. In recent periods, the Advisory Committee has noted an increase in the number of inaccuracies contained in the reports provided to it as well as changes on matters of substance in the published versions of documents that had been considered by the Committee in an advance, unedited form. **The Committee recommends that the General Assembly request the Secretary-General to ensure that due attention is paid to the accuracy of the content as well as the timeliness of documents submitted for its consideration.**

V. Recommendation

52. The action to be taken by the General Assembly is set out in paragraph 103 of the report of the Secretary-General. **The Advisory Committee recommends that the Assembly take note of the eighth progress report of the Secretary-General on the accountability system in the United Nations Secretariat, subject to its observations and recommendations in the paragraphs above.**

Annex

Initial performance management framework

<i>Corporate function</i>	<i>Area of delegation</i>	<i>Regulation/rule</i>	<i>Objective</i>	<i>What success looks like</i>	<i>How we will measure this</i>	<i>Specific key performance indicators or measures (if appropriate)</i>	<i>User/Useful to</i>	<i>Specific data sources</i>
Human resources	Appointment and promotion	SR 4.1, 4.2	A geographically diverse workforce	Geographical diversity of staff	Analysis of selections against geographical posts	Minimum of 50 per cent selections of staff from unrepresented and underrepresented countries	General Assembly, head of entity, DMSPC, DOS	Umoja
			50/50 gender parity at all professional grade levels within department/office/mission	Achieving 50/50 gender parity at all professional levels.	Analysis of the number of staff members per gender per grade level per department/office/mission	Achievement of 50/50 gender parity at each professional level (P-1 to D-1) within a department/office/mission taking into consideration target dates of 2021, 2026 and 2028	General Assembly, head of entity, DMSPC, DOS	Umoja top echelon
			Timely recruitment of staff	Hire/Recruit staff expeditiously and reduce vacancy rates	Average number of days for all steps in the recruitment process under the authority of the department/office and recruitment office	Meeting benchmark of 120 days for filling a post from the time of issuance of job opening to selection	General Assembly, head of entity, DMSPC, DOS	Inspira

<i>Corporate function</i>	<i>Area of delegation</i>	<i>Regulation/rule</i>	<i>Objective</i>	<i>What success looks like</i>	<i>How we will measure this</i>	<i>Specific key performance indicators or measures (if appropriate)</i>	<i>User/Useful to</i>	<i>Specific data sources</i>
Human resources	Conduct/disciplinary matters	SR 10.1	A workplace free of harassment and abuse of authority	Staff are aware of recourse mechanisms, and managers address complaints of prohibited conduct promptly and effectively	Monitoring completion rates of the mandatory trainings on “Ethics and Integrity at the United Nations” and “Prevention of Sexual Harassment and Abuse by United Nations Personnel – Working Harmoniously”	Percentage of staff who have completed the mandatory trainings on “Ethics and Integrity at the United Nations” and “Prevention of Sexual Harassment and Abuse by United Nations Personnel – Working Harmoniously”	Head of entity, DMSPC	Inspira
					Analysis of time taken by managers who receive complaints of workplace harassment and abuse of authority to assess them and, if necessary, investigate	Reports of workplace harassment and abuse of authority are assessed promptly and, if warranted, investigations are conducted within three months of receipt of the formal complaint		Self-reporting by head of entity to BTA

<i>Corporate function</i>	<i>Area of delegation</i>	<i>Regulation/rule</i>	<i>Objective</i>	<i>What success looks like</i>	<i>How we will measure this</i>	<i>Specific key performance indicators or measures (if appropriate)</i>	<i>User/Useful to</i>	<i>Specific data sources</i>
Human Resources	Exceptions to administrative instructions		Judicious use of exceptions	Exceptions used rarely and only where absolutely necessary and not in breach of the underlying staff rule or regulation. The rights of staff are not infringed upon by the exception.	Analysis of documented reasons for the exception.	Exception was warranted under the circumstances and did not infringe upon the underlying rule or regulation.	Head of entity, DMSPC, DOS	Self-reporting by head of entity to BTA
Finance	Use of funds	FR 5.9, 105.3	United Nations financial resources are managed responsibly to achieve mandated results	Budget is on target with planned activities within approved levels to deliver mandates and results. Risks of over- and under-expenditures are mitigated by prioritization in accordance with mandate delivery.	Redeployments between object groups/classes exceeding allotment are offset by under-expenditures in the same object class to implement mandates.	Ratio of monthly budget expenditure to average monthly budget allotment (annual budget allotment divided by 12). Compare final expenditures against the original appropriation.	Head of entity, DMSPC, DOS	Umoja Umoja

<i>Corporate function</i>	<i>Area of delegation</i>	<i>Regulation/rule</i>	<i>Objective</i>	<i>What success looks like</i>	<i>How we will measure this</i>	<i>Specific key performance indicators or measures (if appropriate)</i>	<i>User/Useful to</i>	<i>Specific data sources</i>
Finance	Management of voluntary contributions	FR 3.12, 3.13 /103.4	United Nations financial resources are managed responsibly to achieve mandated results	Risk of weak cash position impeding ability to cover liabilities is mitigated. Cash position and net assets cover planned activities and employee entitlements funded by voluntary contributions	Liquidity analysis in grant budget	Cash-to-Budget ratio. No active grants with zero or negative cash balance.	Head of entity, DMSPC, DOS	Umoja (Enterprise core component data)
Finance	Management of services agreements	FR 105.11	United Nations financial resources are managed responsibly to achieve mandated results.	Cost recovery policies and billing procedures are followed consistently to mitigate risk of financial liability, loss of economies of scale, reputational risk, if United Nations obligations are not honoured or cost not recovered.	Liquidity of cost recovery funds Timely payment to service providers in cases where the United Nations is the service recipient	Costs of services provided are recovered On-time payment (reduction of percentage of late payments)	Head of entity, DMSPC, DOS	Umoja

<i>Corporate function</i>	<i>Area of delegation</i>	<i>Regulation/rule</i>	<i>Objective</i>	<i>What success looks like</i>	<i>How we will measure this</i>	<i>Specific key performance indicators or measures (if appropriate)</i>	<i>User/Useful to</i>	<i>Specific data sources</i>
Procurement	Delegation of procurement authority	FR 105.14	Maximum utilization of long-term contracts for recurring requirements	Minimal use of stand-alone purchase orders for recurring requirements	Analyse recurring transactions in the same Umoja product category	Volume and value of stand-alone purchase orders (not derived from a long-term contract) for goods and services in the same Umoja product category, in comparison to the volume and value of procurement	Head of entity, DMSPC, DOS	Umoja
Procurement	Delegation of procurement authority	FR 105.15 & 105.16	Maximum utilization of formal methods of solicitation	Minimal use of exceptions as a basis for award	Analyse awards based on exceptions to formal methods of solicitation	Volume and value of cases awarded under FR 105.16 (a) and 105.17 (a) (except 105.16 (a)(x)) in comparison to total volume and value of procurement	Head of entity, DMSPC, DOS	Umoja
Procurement	Delegation of procurement authority	FR 105.13	Proper planning for goods and services	Minimal ex post facto cases	Analyse ex post facto awards	Volume and value of ex post facto awards in comparison to total volume and value of procurement	Head of entity, DMSPC, DOS	Umoja, system for Committee on Contracts

<i>Corporate function</i>	<i>Area of delegation</i>	<i>Regulation/rule</i>	<i>Objective</i>	<i>What success looks like</i>	<i>How we will measure this</i>	<i>Specific key performance indicators or measures (if appropriate)</i>	<i>User/Useful to</i>	<i>Specific data sources</i>
Travel	Travel management	SR 7.8 ST/AI/2013/3	Proper planning for travel	Maximum compliance with 16-day advance purchase policy	Analyse time between finalization of travel request and commencement of travel	Percentage of travel requests finalized 16 calendar days in advance of commencement of official travel	Head of entity, DMSPC, DOS	Umoja
Property	Management of property (prevention of loss)	FR 105.20, 105.21, 105.22, 105.23 and 105.24	United Nations property is managed responsibly to achieve mandated results	Avoidance of loss of property due to negligence or mismanagement	Number, type and value of property unaccounted for during annual physical verification	Progressive reduction in percentage of lost property as compared to total (measured in both value and quantity)	Head of entity, DMSPC, DOS	Umoja
Property	Write-off and disposal of property	FR 105.20, 105.21, 105.22, 105.23, 105.24 and 5.14	United Nations property is managed responsibly to achieve mandated results	Timely and correctly executed write-off/write-down and disposal of property	Number, type and value of write-offs/write-downs	Progressive reduction in number of days elapsed between when the property is no longer usable, through write-off/write-down and disposal	Head of entity, DMSPC, DOS	Umoja

DMSPC: Department of Management Strategy, Policy and Compliance
 DOS: Department of Operational Support