

Annex I

Establishment of an ethics office

A. Overview of functions of the ethics office

Objective

1. The objective of the ethics office will be to assist the Secretary-General in ensuring that all staff members observe and perform their functions in consistency with the highest standards of integrity, as required by the Charter of the United Nations, through:

- (a) Fostering a culture of ethics, transparency and accountability;
- (b) Developing and disseminating standards for appropriate professional conduct;
- (c) Providing leadership, management and oversight of the United Nations ethics infrastructure.

Main responsibilities

2. The main responsibilities of the ethics office will be as follows (further details of each of these activities are set out in section B below):

- (a) Administering the Organization's financial disclosure programme;
- (b) Undertaking the responsibilities assigned to it under the Organization's policy for the protection of staff against retaliation for reporting misconduct;
- (c) Providing confidential advice and guidance to staff on ethical issues (e.g., conflict of interest), including administering an ethics helpline;
- (d) Developing standards, training and education on ethics issues, in coordination with the Office of Human Resources Management and other offices as appropriate, including ensuring annual ethics training for all staff.

Confidential records

3. The ethics office will maintain confidential records of advice given by it and reports made to it.

Reporting

4. The ethics office will provide reports regularly to the Secretary-General. The reports will include an overview of the activities of the office and any evaluations and assessments conducted by it relating to such activities. While not disclosing the identity of persons who consult the ethics office, the reports will note the types of issues raised and patterns and trends identified. The office will also comment on rules, regulations, policies, procedures and practices that have come to its attention, and could make recommendations as appropriate.

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Relationships with other offices

5. The ethics office will not replace any existing mechanisms available to staff for the reporting of misconduct or the resolution of grievances. For example, if a case of misconduct were reported to the ethics office, it would refer the matter to the Office of Internal Oversight Services for investigation. If the concern raised by a staff member related to an interpersonal problem within a particular office, the ethics office would advise the staff member concerned of the existence of the Office of the Ombudsman, as well as the other informal mechanisms of conflict resolution in the Organization.

6. The ethics office will develop working relationships with other offices and departments, including the Office of Internal Oversight Services, the Office of Human Resources Management, the Office of Legal Affairs and the Office of the Ombudsman, to ensure satisfactory coordination, consistent advice on law and policy and the making of appropriate referrals and/or recommendations.

B. Details of the main responsibilities of the ethics office

Administering the Organization's financial disclosure programme

7. Full disclosure of financial information is a safeguard both for individual staff members and for the Organization. It enables an informed judgement to be made

with respect to a staff member's compliance with applicable conflict-of-interest rules and standards of conduct regulations, and it allows the staff member and the Organization to fashion appropriate protections against actual or potential conflicts of interest when they first appear.

8. The Organization's financial disclosure programme requires designated staff members to file a confidential statement of their financial interests every year. Until recently, only staff members at the level of Assistant Secretary-General and above were required to file financial disclosure statements. The Secretary-General has issued new rules on financial disclosure that extend the financial disclosure requirements to staff carrying out procurement and investment functions, in accordance with the request of the General Assembly in paragraph 10 of its resolution 52/252. The new rules also lower the financial disclosure threshold levels considerably: the threshold for assets and income from non-United Nations sources is lowered from \$25,000 to \$10,000 and the threshold for gifts from \$10,000 to \$250.

9. In addition, the General Assembly has before it for consideration the Secretary-General's report "Amendments to the Staff Regulations" (A/60/365), in which he has requested that the Assembly approve a change to staff regulation 1.2 (n) which would broaden financial disclosure requirements to include staff at the L-6, D-1, L-7 and D-2 levels and additional staff as deemed necessary by the Secretary-General.

10. The expanded financial disclosure programme will apply to approximately 1,000 staff in the United Nations Secretariat. While the ethics office will be responsible for administering the financial disclosure programme, it is proposed that the actual review and audit of financial disclosure forms be carried out by independent financial experts rather than the staff of the ethics office, in order to safeguard the confidentiality of senior officials' private financial information. This

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recommendation is also based on the successful examples of the World Bank Office of Ethics and Business Conduct and the International Monetary Fund, which administer their financial disclosure programmes with the involvement of financial experts who carry out the actual review and audits of the financial disclosure forms. The independent experts would be fully briefed on the United Nations system and would receive copies of the job descriptions of the staff members whose financial disclosure forms they are reviewing in order to be able to identify conflicts of interest. They would also be able to clarify issues with the staff members concerned, directly or via the director of the ethics office. Where information disclosed (or not disclosed) indicated possible misconduct, the matter would be referred to the Office of Internal Oversight Services for investigation.

Protection of staff against retaliation for reporting misconduct

11. The policy for protecting staff against retaliation for reporting misconduct is not yet finalized and will be the subject of further consultations. In developing the draft policy, a review was carried out of whistle-blower protection legislation in many Member States, including the United States of America, the United Kingdom of Great Britain and Northern Ireland, Australia, Canada, South Africa, New Zealand, Israel and South Korea. The inclusion of the United Nations new programme of protection against retaliation as part of the proposed functions of the ethics office was a result of the proposal of an interdepartmental working group made up of representatives of the Office of Internal Oversight Services, the Office of Human Resources Management, the United Nations Development Programme, the Office of Legal Affairs and the Department of Peacekeeping Operations, the Office of the Ombudsman and a consultant recommended by Transparency International. The essential features of the current draft policy are as follows.

12. The ethics office will provide protection against retaliation to persons who report misconduct or who cooperate in official investigations. The programme is

designed to encourage good-faith reporting of misconduct, as well as to discourage those who would either interfere with or retaliate for such reporting.

13. The ethics office will not have investigation functions. When a complaint of retaliation is received, the ethics office will conduct a preliminary review of the complaint to determine if there is a credible case of retaliation or threat of retaliation. If the office finds that there is a credible case of retaliation or threat of retaliation, it will refer the matter to the Office of Internal Oversight Services for investigation and may also recommend interim protection measures. If retaliation against an individual is established, the ethics office will, after taking into account any recommendations made by the Office of Internal Oversight Services or other concerned offices, and after consultation with the individual who has suffered retaliation, recommend appropriate measures aimed at correcting the negative consequences suffered as a result of the retaliatory action. Such measures may include, but are not limited to, reinstatement, rescission of the retaliatory decision or transfer to another office of that individual or the person who acted in retaliation against the individual.

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Advisory function, to provide confidential advice and guidance to staff on ethical issues (e.g., conflict of interest), including administering an ethics helpline

14. One of the most important functions of the ethics office will be to provide guidance to staff on ethics issues in a neutral, non-judgemental and strictly confidential environment. The office will keep a record of advice provided in its confidential database. Staff members could seek advice from the ethics office or raise workplace concerns in a variety of ways, all of which would be confidential, including in person, by regular mail, fax or e-mail or via the ethics helpline.

Developing standards, training and education on ethics issues, in coordination with the Office of Human Resources Management

Developing standards

15. While the United Nations has in place detailed standards of conduct, they have not been effectively disseminated to staff. The ethics office will work with the Office of Human Resources Management on supplementing and explaining the existing staff regulations and rules and standards of conduct in a user-friendly way.

16. The ethics office will maintain oversight of the ethics infrastructure and recommend changes to rules, standards, policies or other factors as required to improve such infrastructure, including amendments to the financial disclosure rules as necessary.

Training and education

17. It will be essential for the ethics office to raise awareness throughout the Organization as to its establishment and functions, as well as the implementation of new and expanded programmes including in respect of protection against retaliation, the financial disclosure regime, annual ethics training requirements and staff/management responsibilities in connection with these programmes.

18. The ethics office will work with the Office of Human Resources Management to provide ethics training and education that is interactive and practical to ensure that staff members understand how to use the staff regulations and standards of conduct in their daily work activities. Training could take the form of instructor-led classes, computer-based training or a combination of both, and would include discussion of real-life situations posing ethical dilemmas.

19. All staff will be required to undertake ethics training annually and will receive a certificate after completing each training programme. The ethics office will monitor compliance with the annual ethics training requirements and notify staff members of their obligations in this regard.

20. Specialized training modules will be developed for senior managers and for officials working in specialized and/or sensitive areas, including procurement, recruitment and investment.

21. In this connection, it is relevant to note that steps have already been taken to include ethics components in all of the Organization's training programmes. In addition, an Intranet-based training module on integrity and ethics called the Integrity Awareness Online Learning Programme was launched on 12 September 2005, and has already been successfully completed by 2,464 staff. The Secretary9
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General intends that all levels of Secretariat staff shall be required to complete the module. A half-day ethics training programme entitled "Working together: ethics and integrity in our daily work" is currently being undertaken by all Department of Management staff and will be expanded in the months ahead to include all United Nations Secretariat staff.

C. Organizational structure and location of ethics office

22. The ethics office, like the Office of the Ombudsman, the Administrative Tribunal, the Board of Auditors and secretariat of the Advisory Committee on Administrative and Budgetary Questions, would be under the budget section on programme budget, Overall policymaking, direction and coordination.

Organizationally, it would also be located outside the Executive Office of the Secretary-General in order to guarantee its independence and to ensure that the staff of the ethics office were recruited in a transparent manner through established procedures. As with the Ombudsman, it is proposed that the head of the ethics office be appointed at the level of Assistant Secretary-General for a fixed, non-renewable five-year term.

23. It is essential that the head of the ethics office be appointed at a very senior level to command the respect of all staff, Member States and external stakeholders as the face of the United Nations on issues of ethics and integrity. The head of the office will need to be an eminent senior person with recognized expertise and scholarship in the field of organizational ethics and with a track record of successfully applying ethics and integrity initiatives in international organizations. The head of the office will be accountable for providing leadership and communicating the vision throughout the global Secretariat on matters relating to ethics at the United Nations, including the promotion of ethical standards and establishing policy recommendations and guidelines to deal with new or evolving ethics issues.

24. The ethics office will be the focal point on ethics issues for the global United Nations Secretariat, including offices away from headquarters, regional commissions, special political missions and peacekeeping missions.

25. While the ethics office will be headquartered in New York, it is considered necessary that liaison offices also be established in Geneva, Vienna and Nairobi for the following reasons:

(a) The importance of maintaining the highest ethical standards would be more readily perceived as a matter affecting all staff worldwide and not as a purely Headquarters issue if ethics liaison offices were established at other duty stations. This is particularly important in the light of the significant increase in the number of disciplinary cases from peacekeeping missions, especially with regard to sexual exploitation issues, and from other United Nations offices with a large presence in the field, such as the Office of the United Nations High Commissioner for Refugees, which has seen an increase in fraud cases in recent years;

(b) The liaison offices would serve as the focal points on ethics issues for staff in the offices away from headquarters, regional commissions, special political missions and peacekeeping missions in the respective regions; at the liaison offices staff could more readily seek ethics advice, lodge complaints of retaliation, etc.,

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with a person who was in the same or a similar time zone and who had some knowledge of the offices and staff involved;

(c) The liaison offices would be able to follow up on the submission of

financial disclosure forms for staff at other duty stations and provide advice and guidance to staff in filling out the forms. The liaison offices would also coordinate ethics training and education for staff at those other duty stations. In addition, they would coordinate with other relevant offices in the region, including the Office of Internal Oversight Services, in order to build working relationships for making referrals;

(d) The liaison offices would be able to provide valuable insights into local situations and the way in which ethics issues are perceived by other cultures, which may not be readily apparent to staff at Headquarters;

(e) The staff in the liaison offices could travel more easily and at less expense to regional commissions, and to peacekeeping and special political missions in Africa, Europe and the Middle East, than staff in the ethics office at Headquarters.