



## Response to the

### OIOS Report MECD-2006-003 of 19 March 2007 Inspection of programme management and administrative practices in the Office for [sic] Drugs and Crime (UNODC)

## Introduction

1. UNODC welcomes the OIOS inspection as an assessment of the changes introduced in the past five years and finds, in the inspection report, useful pointers for further improvement.

2. The present document lays out UNODC's responses to 21 of the 34 recommendations contained in the OIOS report (nine of the 24 numbered recommendations have two or more components), namely numbers 1(b), 2(a), 2(c), 3, 4, 5, 6, 7(a), 10(b), 12, 15(a), 16(a), 16(b), 17(a), 17(b), 18(b), 19(a), 19(b), 20, 21 and 24. Since an additional six recommendations, namely numbers 8, 10(a), 11, 15(b), 18(a) and 22, have already been implemented, they are not discussed below. Seven recommendations cannot be implemented by UNODC, as they are outside UNODC's authority, namely numbers 1(a), 2(b) (partially), 7(b), 9 (partially), 13, 14 and 23, and they are not discussed below.

3. Throughout, the OIOS recommendation is reproduced verbatim (in blue), followed by UNODC's response.

## OIOS Recommendations and UNODC Responses

### 4. Recommendation 1(a); page 17:

**UNODC should undertake a review of the mandates received by the intergovernmental bodies to determine if there are mandated activities including core functions which are not funded through the RB. Such review should be presented to the General Assembly at the time of its consideration of the 2008-2009 budget.**

### Response:

UNODC has conducted a review of mandates and submitted the resulting proposal for regular budget requirements to the Controller for the Secretary-General's proposed budget for 2008-2009. Since UNODC cannot present material to the General Assembly, we invite OIOS to direct this recommendation to the Controller. In

addition UNODC will review its mandates more thoroughly in order to identify its core functions, and will share the results our governing bodies.

**5. Recommendation 1(b) ); page 17:**

**A balanced and strategic approach to programme implementation should be taken by UNODC to prioritize the delivery of mandated activities over new initiatives with precarious or uncertain funding which deviate from the approved plan.**

**Response:**

The fact that UNODC does not receive enough Regular Budget resources to fulfill its mandates is well known, and the matter is in the hands of Member States. Hopefully UNODC's *Strategy for the period 2008-2011 for the United Nations Office on Drugs and Crime* (E/CN.7/2007/14 - E/CN.15/2007/ 5 of 9 February 2007), approved by the Commission on Narcotic Drugs on 16 March 2007, will address some of these concerns.

**6. Recommendation 2(a), page 17 :**

**Departing from the finalization of the Strategic Plan and its subsequent business plan, UNODC needs to harmonize its different planning documents, budget methodologies, presentation and substantive elements to include all logical framework components regardless of their source of funding, as well as its administrative, management and geographic components and consolidate them into one. This master document should be the basis for the budget presentation at the various levels.**

**Response:**

Harmonization of all planning and budget documents is under active implementation and will be reflected, *inter alia*, in the new Thematic/Regional/Country Programme Frameworks and Budget 2008-2009.

**7. Recommendation 2(b), page 17:**

**All internal planning documents, SPF and project plans must be clearly linked to this comprehensive plan and be endorsed by the GA in its normal budget review and approval process**

**Response:**

All internal planning documents, Thematic/Regional/Country Programme Frameworks and project plans will be linked to the *Strategy for the period 2008-2011 for the United Nations Office on Drugs and Crime*, in line with the CND and CCPCJ resolutions on the Strategy

**8. Recommendation 2(c), page 17 :**

**UNODC should use a uniform nomenclature and definitions to conform to the UN Secretariat terminology supported by the development of a glossary of terms to further instill internal clarity among its users based on the Secretariat [Glossary of M&E Terms](#).**

**Response:**

UNODC is implementing this recommendation and a draft glossary has been prepared.

### **9. Recommendation 3, pp. 17-18 :**

**UNODC should engage in consultation with the major donors and beneficiaries of its services with a view to creating a formal Consultative Committee of donors and beneficiaries. This forum would help to increase transparency in the funding process and the use of the GPF. UNODC should prepare clear and detailed reports on the use of the GPF and make them available to Member States. A global approach to fund-raising should be developed, including a fund-raising strategy that includes an appeal (in line with CND resolution 46/9 paragraph H), a pledging conference based on the Strategy and focused on increasing public awareness of UNODC's work. If further GPF savings are necessary, these should be based on the strategic analysis of mandates, priorities and needs mentioned in Recommendation 1.**

#### **Response:**

In June 2005 UNODC sought to establish a "Consultative Committee" with the aim of streamlining the dialogue on priorities, funding, accountability and lessons learned ("A New Partnership Approach" dated 22 June 2005); and proposed an "Indicative Contributions Model" (dated 16 June 2005) with the aim of closer aligning General Purpose and Special Purpose donor contributions. While no consensus could be reached among the major donors on the latter proposal (informal donor meeting 19 July 2005), the proposal for more regular informal consultations between the Secretariat and the Major Donors on institutional and funding issues was supported.

The intensive dialogue between the Secretariat and Member States facilitated the development of a new UNODC Strategy, which began in early 2006 and which was approved by the Commission on Narcotic Drugs on 16 March 2007. The *Strategy for the period 2008-2011 for the United Nations Office on Drugs and Crime* highlights the need for more efficient and results-based business practices, which will help to make the work of UNODC more focused, transparent and accountable and which, in turn, will impact positively on the donor-perception of UNODC's performance. About a dozen formal and many informal meetings with Major Donors have been held since the summer of 2005. At these meetings, detailed handouts on the GPF income and expenditure situation were disseminated and explained.

UNODC looks forward to securing the views of Member States (through its governing bodies) on further implementation of this recommendation.

### **10. Recommendation 4, page 18:**

**Fund-raising should be coordinated by the CPS in order to avoid donor confusion and lack of coherence; CPS should develop clear procedures and guidelines to be used by Branches, Sections and FOs to allow them to become more coherent and effective in their fund-raising efforts.**

#### **Response:**

The Co-financing and Partnership Section (CPS) does indeed coordinate fundraising, but its limited capacity, and Member States' decentralization of their own programme management, frequently requires discussions and assurances from those field and programme offices directly responsible for project implementation.

### **11. Recommendation 5, page 18:**

UNODC should review its [TOR](#) and [ST/SGB/2004/6](#) to clarify the functions of the respective Divisions, Branches and Sections, avoid duplication and highlight complementarities and comparative advantages between its different components. The role and functions of working teams should be encouraged and incorporated in this review to allow inter-section/branch and divisional collaboration for determined outputs and projects.

#### **Response:**

UNODC has established, expressly for this purpose, a Change Management Core Group. The Group is reviewing [ST/SGB/2004/6](#) and the complementary [ST/SGB/2004/5](#), to clarify the functions of the respective Divisions, Branches/Services, Sections and Units. This review is being conducted in line with standard United Nations practice.

### **12. Recommendation 6, page 18 :**

To improve coordination and follow-up on important management initiatives, UNODC needs to establish a clear function that will be responsible to move them forward and follow-up on their progress - ideally a Deputy Executive Director with a dedicated responsibility over it.

#### **Response:**

UNODC will discuss this recommendation with the Controller and a PBI statement, if appropriate and required, will be prepared.

### **13. Recommendation 7(a), page 18 :**

UNODC should develop guidelines and process flowcharts to clarify FOs procedures regarding Human Resources, particularly on recruitment and renewal of contracts specifying expected timeframes of service delivery. Based on the FOs needs, a Field Presence Manual should be developed including the most common administrative procedures and processes to facilitate FO operations. An induction manual for new FO staff should also be made available.

#### **Response:**

UNODC is implementing this recommendation.

### **14. Recommendation 7(b), page 18:**

UNODC should allocate training funds to the FOs and find innovative ways to provide them substantive and competency based training by way of regional workshops in conjunction with other regional based UN entities, organizing group substantive training on every opportunity staff are on mission to FOs. The use of electronic training to disseminate knowledge such as e-learning or e-courseware should be made available.

#### **Response:**

Funding constraints are the only obstacle to full implementation of this recommendation. Partial implementation is ongoing. HRMS encourages visiting colleagues from field offices to participate in training. Training in ProFi, Project Cycle Management, Evaluation, etc. has also been provided to field staff, including

through regional workshops. All staff, including staff in field offices have the opportunity to participate in e-learning through NetG, organized and administered centrally by OHRM. Substantive training, given the expansion of areas on which UNODC works, is more difficult to organize, and is being done in the context of actual project implementation arrangements.

**15. Recommendation 8, pp. 18-19:**

**UNODC should ensure that a proper support and backstopping is available to FOs. Redeployment should not be implemented unless thorough studies justify it based on its comparative advantages; benefits to the organization and its effectiveness keeping in mind the core needs and substantive backstopping necessary for effective FOs operations.**

**Response:**

UNODC is implementing this recommendation.

**16. Recommendation 9, page 18:**

**Based on the strategy, UNODC should undertake a comprehensive review of the FOs to assess the regional/national needs of Member States, UNODC goals, and FO's strategic programme frameworks, past performance and priority areas based on assistance needs/gaps. The study should include the cost-effectiveness of operations in a regional or national set up. This review should be presented to Member States and be formalized in the Budget Fascicle. Alternative mechanisms should be established to assist the Caribbean region while the re-profiling study is finalized in order to continue UNODC support to the region.**

**Response:**

UNODC is implementing this recommendation. A comprehensive review of the Field Offices (FOs) was conducted in 2003 and another review is ongoing. The UNODC programme budget submission (Section 16) is prepared by OPPBA. The focus of the programme budget is the regular budget and none of these funds are used by UNODC FOs. If the UNODC programme budget fascicle is to be reformulated (as the recommendation above suggests) then the recommendation needs to be addressed to OPPBA. If UNODC is to present the reform of its FOs to the General Assembly, an appropriate agenda would have to be found. In the interim, resources to enable UNODC to maintain its current FO network will have to be found.

UNODC support to the Caribbean region is now being provided by the UNODC Regional Office for Mexico and Central America. It is also worth mentioning that UNODC, in cooperation with the World Bank, has conducted a study on the implications that drugs and crime have in the region's development efforts. This is a part of a wider strategy to raise awareness among the donor community on the challenges facing Caribbean nations and how they could be better assisted with suitable cooperation programmes. Based on the above results, UNODC hopes to be in a position to expand technical assistance to the Caribbean countries.

**17. Recommendation 10(a), page 19:**

**The Annual FO Representative Seminar should be used as a forum where programmatic performance assessment, best practices and lessons learned are discussed and shared. A**

mechanism to implement its conclusions and recommendations should be established by identifying the responsible units and deadlines for its completion. Regional meetings of experts and staff should also be considered as supplementary arrangements to share knowledge on thematic areas.

**Response:**

UNODC is implementing this recommendation.

**18. Recommendation 10(b), page 19:**

A knowledge sharing platform should be facilitated to allow for FOs interactive communication and creation of e-working teams.

**Response:**

The creation of a “UNODC Resources Centre” was initiated in 2006 and is well advanced. This recommendation will be fully implemented in conjunction with Recommendation 21 on a Knowledge Management system.

**19. Recommendation 11, page 19:**

Clear criteria and periodicity for FOs management reviews should be agreed upon and approved by Executive Committee (ExCom). Management visits/reviews should be used as opportunities to exchange information and train staff in FOs regarding rules, regulations, and substantive issues where insufficient expertise is available. Recommendations issued in the reports should include deadlines, be tracked and its implementation reviewed by ExCom. IEU should be consulted and appraised on the development of the TORs and its findings. Summary of recommendations not implemented should be reported in the IEU Annual Report.

**Response:**

Field Office (FO) reviews were not conducted prior to the establishment of the associated criteria (MI/9/Rev.1. of 1 May 2004). This check-list addresses all aspects of the administration of FOs including their budgets, projects and programmes. To date eight FO management reviews have been conducted focusing on administration and management as well as programmatic matters. Tangible managerial improvements have resulted from these reviews. As regards clear criteria and appropriate periodicity, FOs will be visited by FRMS and DO staff once every five years or as per specific requests by the field office. There is a systematic sharing of lessons-learned from the visits, incidentally also with the OIOS internal Audit Division. Recommendations issued in the mission reports identify action officers, deadlines, and follow-up mechanisms. They are tracked and implementation monitored by DM/FRMS and DO/PDB. IEU does not have a role to play in Field Office reviews.

**20. Recommendation 12, page 19:**

UNODC should decide on the most effective way to streamline the number of reports currently requested from the FOs based on suggestions of paragraph 27, Management Instructions should be revised accordingly.

**Response:**

UNODC is implementing this recommendation: MI/10/REV.1 of 1 August 2004 has been revised in April 2007 and reporting has already been substantially streamlined.

### **21. Recommendation 13, page 20:**

**ExCom meetings should be organized to allow for UNODC specific discussions and clarity of advice before decisions are taken by the ED as well as its review and follow-up. Periodic reports and reviews on decisions not implemented should be reviewed and disseminated. When required, participation and substantive agenda related to other entities should be discussed. ExTrack access should be provided to staff members at large to enhance transparency in the ExCom mechanism. Guidelines for discussion and promulgation of MIs should be endorsed by the ExCom. All MIs should be signed by the ED.**

#### **Response:**

The Executive Committee (ExCom), established and chaired by the Executive Director, is a mechanism for internal coordination and communication attended by UNOV/UNODC Senior Managers.

The Executive Director, after having considered ExCom's advice, decides and is solely responsible and accountable for his decisions. (If this is indeed the role of the Executive Committee, which sounds like a body that *executes* decisions, then perhaps UNODC should consider re-naming it, thereby removing any scope for confusion).

The long-term practice (since 2002) has been that ExCom agendas cover all policy and administrative issues. ExCom meetings are usually held on Wednesdays, have a published agenda and items discussed are prepared by documents circulated in advance.

All ExCom recommendations are systematically tracked, followed up and, if need be, discussed.

ExTrack is an online tracking system, developed in house, which well serves its intended purpose and, to our knowledge, is quite unique. It will be made accessible to all staff.

Management Instructions (MIs) are widely discussed at the drafting stage, approved by the Executive Director after a formal discussion in ExCom and then issued.

### **22. Recommendation 14, page 20:**

**The MRC and SST mechanisms need to be revitalized to ensure discussion, exchange of ideas and coordination. These should have the participation of middle management and FOs. The discussions, decisions and follow-up actions should be widely disseminated and be available to all.**

#### **23. Response:**

UNODC is implementing this recommendation. The Management Review Committee (MRC) is an established body, while Senior Staff Meetings (SSMs) are entirely informal. The MRC, has already been formally tasked with spearheading

performance management in UNOV/UNODC and to act much more *ex ante* than *ex post*. The MRC met once a year in 2004 (6 August 2004), 2005 (5 September 2005) and 2006 (5 and 13 September 2006). At the meeting in 2006 it reviewed ePAS ratings and compliance; it also brainstormed ideas on how to strengthen its own role and responsibility. The MRC decided in principle to take a more pro-active role and to become a vehicle of change. It also will become an active partner in bringing about a culture of continuous learning in UNOV/UNODC. A decision to meet more frequently was taken. An MRC meeting was held on 6 March 2007.

**24. Recommendation 15(a), page 20:**

The remaining phases of PCM should be implemented without delay and in close coordination with the IEU and guided by the findings of the PCM diagnostic report. UNODC should provide all necessary and efficient support to FOs to allow for timely project implementation.

**Response:**

UNODC is implementing this recommendation.

**25. Recommendation 15(b), page 20:**

PPC should undertake a semi-annual Project Portfolio assessment of results and ensure that SPU confirms alignment between projects and UNODC objectives in all instances prior to approval. The PPC decisions should have clear approval criteria which must be incorporated in ProFi through a checklist.

**Response:**

UNODC is implementing this recommendation.

**26. Recommendation 16(a), page 20:**

An RBM mechanism/function should be established to coordinate all aspects of its implementation including monitoring and reporting, uniform approaches for data collection and appropriate collaboration within the different levels to establish responsibilities, ensure compliance, report on gaps and deficiencies, suggest remedial actions and provide support. Responsibility and follow-up mechanisms need to be established to ensure active involvement and commitment from management and staff.

**Response:**

UNODC is implementing this recommendation and is working to introduce RBM and related follow-up mechanisms.

**27. Recommendation 16(b), page 21:**

The ExCom should periodically (every six-months) review performance assessment as a standing item on its agenda, to ensure compliance and effectiveness of RBM implementation as well as to identify and decide on remedial actions.

**Response:**

UNODC is implementing this recommendation.



**28. Recommendation 17(a), page 21:**

In compliance with the PPBME, all activities and achievements, regardless of their source of funding and based on the approved programme of work, are to be reported through IMDIS. In order not to duplicate efforts, streamline reporting and in line with RBM, the annual report should be results-based, and should take into consideration the global commitments made by UNODC.

**Response:**

UNODC will meet its IMDIS reporting obligations, even while hoping that the serious weaknesses of this tool will be addressed at the wider level. In the meantime, UNODC will continue to use its own, more responsive and operational, reporting system for extra-budgetary reporting.

The Annual Report of the Executive Director is not an instrument for which prescribed formats exist in the Secretariat. Therefore, it will continue to reflect UNODC priorities. Reporting on global commitments made to intergovernmental bodies will continue in accordance with established procedures

**29. Recommendation 17(b), page 21:**

UNODC should organize a comprehensive RBM training in order to provide its staff and management with the necessary skills to implement it.

**Response:**

UNODC is implementing this recommendation and requests OIOS to help identify qualified United Nations Secretariat staff to conduct such training

**30. Recommendation 18(a), page 21:**

UNODC should strengthen the independence of the IEU by restructuring its reporting arrangements in line with the UNEG norms and standards for evaluation, establishing a mechanism to follow-up and monitor on the status of implementation of its recommendations and making those findings and status reports readily available to Member States by way of their reports including the IEU Annual Evaluation Report.

**Response:**

UNODC has implemented this recommendation effective 1 April 2007.

It is worth noting, though, that the original placement of the IEU in the Division for Policy Analysis and Public Affairs was taken in consideration of the recommendations made in 2001 (A/56/83: Report on the inspection of programme management and administrative practices in ODCCP). The Executive Director after taking office in 2002, specifically restricted his lines of reporting so that only his immediate office and division directors reported directly to him. In addition, it was considered that, were the IEU to report directly to the Executive Director, there would be a perception that the outcomes of the evaluations were biased. However, in

accordance with the present OIOS recommendation, the reporting lines of IEU have now been changed.

As regards the second part of the recommendation, the IEU has been given the lead-responsibility to follow up and monitor the status of implementation of recommendations. Naturally, IEU will consult with the concerned office whose programme was the subject of the evaluation. IEU will also prepare periodic status report to be examined by ExCom and summarized in IEU's Annual Evaluation Report.

**31. Recommendation 18(b), page 21:**

**Definitions, guidelines, policies, methodologies and instructions pertaining to the evaluation function should be clarified and refined in accordance to UN Secretariat practices and in line with UNEG norms and standards. The IEU TOR should also be reviewed and clarified.**

**Response:**

UNODC is implementing this recommendation. Within the IEU workplan for 2007, it is foreseen that a review of definitions, guidelines, methodologies and instructions pertaining to the evaluation function will be carried out. Once completed and examined by ExCom as well as approved by the Executive Director, the review, and, if need be, clarification of the IEU's terms of reference, will then be undertaken.

**32. Recommendation 19(a), page 21:**

**A review of all UNODC applications should be made to determine their usefulness and effectiveness in order to streamline their number and structure. The revamping of the intranet would further support this effort. In order to streamline information flows and promote the effective use of IT, procedures, roles and the comparative advantages of the IT tools should be clarified by issuing guidelines and organizing them into a user-friendly portal. These guidelines should be monitored and enforced in HQ and the FOs.**

**Response:**

UNODC is implementing this recommendation. A change management system has been introduced. Before the end of April 2007, the Information Technology Service (ITS) will introduce a new portal which will serve as a single point to access all applications.

**33. Recommendation 19(b), page 21:**

**In line with RBM, ITS should develop a logical framework and a mechanism for monitoring and reporting on its own performance so that the intergovernmental bodies become aware of ITS achievements.**

**Response:**

UNODC is implementing this recommendation.

### **34. Recommendation 20, page 21:**

A communications strategy should be developed in line with UN-wide public information strategy, including the most effective use and selection of goodwill ambassadors. Guidelines on how to deal with the press should be disseminated to the FOs and Headquarters.

#### **Response:**

UNODC is implementing this recommendation.

### **35. Recommendation 21, page 22:**

A KM strategy and an action plan to implement it should be developed as a priority in close consultation with FOs. The strategy should aim at enhancing knowledge sharing, cooperation and coordination within UNODC, but also at establishing UNODC as a source of knowledge at the global, regional and subregional levels on crime, drug and anti-terrorism issues to ensure the widest possible access to information.

#### **Response:**

UNODC is implementing this recommendation and considers it a matter of priority, particularly from a human resource perspective. During the second half of 2007 and the first half of 2008, UNODC's Strategic Planning Unit (SPU) will:

- take stock of existing knowledge sharing and knowledge management mechanisms within UNODC;
- consult broadly both at Headquarters and with Field to determine knowledge sharing and knowledge management needs;
- consult with major users of UNODC information and knowledge products;
- conceptualize a UNODC knowledge management system and knowledge-sharing mechanisms; and
  - develop a costed action plan, including terms of reference for the sustainability of the knowledge management (KM) system, in line with UNODC's mandates.

### **36. Recommendation 22, page 22:**

HRMS should incorporate to its performance management system client satisfaction measures to improve its performance and identify areas where improvement is needed. Substantive training must be prioritized and training management should be enhanced by the use of group and electronic training, as well as applying a rotation mechanism to ensure even staff participation.

#### **Response:**

UNODC accepts this recommendation and is already issuing client satisfaction questionnaires.

Training programmes run by HRMS fall into two funding categories:

- Centrally run programmes: These are programmes designed by OHRM and organised in New York and all Offices away from Headquarters (OaHs). They are part of the staff development calendar and contain core programmes, which are applicable within the Secretariat.

- Upgrading of substantive and technical skills: Funds allocated to Offices away from Headquarters for specific training programmes tailored to the needs of the staff in that duty station with particular specializations.

Both categories are funded through the regular budget; hence the beneficiaries of the programmes must, per General Assembly resolution, also be funded through the regular budget. While group trainings can and have been opened also to staff funded from other sources, individual training requests from staff funded through other sources cannot be considered.

UNODC and UNOV have designated individual learning focal points in each branch/service of the divisions in Vienna. These individuals interact on a regular basis with HRMS. Through this network HRMS collects and assesses the learning needs in the area of substantive and technical skills. The Learning Focal Points guidelines stipulate that any form of group training is preferable to individual training events as this ensures the most efficient use of the scarce available financial resources. However, there are many highly specialised training requests, which require individual interventions.

In 2006 there were two major group training activities financed from the funds for the upgrading of substantive skills: i) partnering skills training, conducted by UNSSC; ii) media skills training conducted by the Centre for Development Cooperation (CDC).

In addition, briefings on early warning mechanisms as well as good governance were organized. In order to also allow field-based staff to benefit from training, HRMS has encouraged training as a component of the annual Field Representative Seminar. In 2006 the seminar contained agenda items on ethics, ProFi and media skills training.

### **37. Recommendation 23, page 22:**

**The accountability panel on HR compliance should be established and every effort should be made to improve on the targets set for 2006. In consultation with the Ombudsman office in NY, UNODC's Ombudsman should be appointed without delay.**

#### **Response:**

This recommendation may be difficult for UNODC to implement because, firstly, there is no precedent for an "accountability panel" in the United Nations Secretariat and, secondly, the appointment of an Ombudsman is not within UNODC's purview.

As regards the establishment of an accountability panel on human resources (HR) compliance, it should be noted that UNODC, like any other Secretariat Department, follows and implements OHRM policies and will promptly establish such a panel should this instrument be established by the Secretary-General.

The appointment of an Ombudsman has been the subject of lengthy discussions with the Office of United Nations Ombudsman in New York. With the recently completed review of the internal justice system (Redesign Panel), a proposal has been made to realign the operations of the United Nations Ombudsman at offices away from

Headquarters (OAHs). At the specific request of the United Nations Ombudsman, UNOV/UNODC postponed the engagement of a Vienna-based Ombudsman until such time that the work of the Panel was concluded. As proposed by the Panel, a position for ombudsman is to be created in Vienna.

**38. Recommendation 24, page 22:**

**The Office for [sic]Drugs and Crime should share the findings and conclusions of this report directly with CND and CPCJ [sic].**

**Response:**

UNODC is implementing this recommendation and will share not only the findings and conclusions but the entire report, as well as its responses (contained in the present document), with the Commission on Narcotic Drugs (CND) and the Commission on Crime Prevention and Criminal Justice (CCPCJ).