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**Joint Inspection Unit Report: Review of management and administration in the
United Nations Conference on Trade and Development**

**UNCTAD Management Response to the Joint
Inspection Unit Review of Management and
Administration in the United Nations Conference
on Trade and Development**

Note by the UNCTAD secretariat

1. The UNCTAD secretariat (hereinafter: the secretariat) expresses its gratitude and appreciation to Inspector Even Fontaine Ortiz for the work carried out in researching and drafting this report, which included field visits to five countries, interviews with representatives of member States and with staff and senior management of the secretariat, and a staff survey. For more than 10 months, the secretariat worked closely with the Inspector in providing extensive factual information and administrative support, and facilitating meetings, so as to maximize the relevance and usefulness of the report.
2. The secretariat welcomes this report as a tool to strengthen the effectiveness of UNCTAD in delivering on its mandate. The secretariat is committed to the principle of external oversight and evaluation, and considers reports by oversight bodies as an opportunity to obtain unbiased assessments of our work, to identify both strengths and weaknesses, and to receive concrete suggestions for improvement. We therefore look forward to a constructive discussion of the report's recommendations.
3. This Management Response provides the secretariat's comments on the report's main findings and recommendations, as well as factual clarifications and corrections. In addition, we highlight some areas in the report where more substantiation or evidence would have been useful, in order to better allow the secretariat to address the concerns expressed. A detailed list of the secretariat's comments can be found in part II of this document, which should be considered an integral part of the Management Response.
4. Overall, the secretariat appreciates the positive assessment of many aspects of UNCTAD's work on trade and development, and welcomes the majority of the recommendations as means for improving its management and administration, which it is ready to implement. However, the secretariat finds that the report also contains a number of claims not supported by evidence, which makes it more difficult to address the concerns expressed. Here, greater substantiation would have strengthened the report and made it an even more useful management tool.

I. Assessment of the findings

5. The report by the Inspector contains an in-depth review of the management and administration of UNCTAD, as it relates to the implementation of UNCTAD's mandate and its work in the three pillars, and to the day-to-day operation of the secretariat.
6. The secretariat is encouraged by the fact that, in the process of assessing UNCTAD's management and administration, the Inspector found evidence of the positive impact achieved by UNCTAD's work in different areas. The report also acknowledges the progress achieved in several initiatives taken to reform the management and administration of UNCTAD. In the area of research and analysis, for example, the report notes that the readership survey showed an essentially positive assessment of UNCTAD reports in terms of substantive policy contributions, analytical quality and presentation format. It also notes that UNCTAD work enjoys high visibility in the press, with more than 300 press clippings per month. During his visits to five developing countries, the Inspector found that the overall assessment of UNCTAD's technical assistance activities in the field was also positive. He notes that the Debt Management and Financial Analysis System (DMFAS) and the Automated System for Customs Data (ASYCUDA) are landmark projects, which make a positive contribution that has resulted in them being co-financed by the beneficiaries. The Inspector was particularly impressed by the state-of-the-art standard and the relevance of the activities of UNCTAD's Virtual Institute. He also notes significant progress in our efforts to improve outreach and communications, and acknowledges the severe resource constraints hindering progress. In the area of partnerships, he says that the United Nations Inter-Agency Cluster on Trade and Productive Capacity, created under the leadership of

UNCTAD, represents an example of success. The report further attests to “significant progress” in consolidating UNCTAD’s technical assistance projects through clustering, and notes improvements in the internal coordination of technical assistance projects.

7. As a result of his review, the Inspector identifies a number of areas for improvement in the field of management and administration, and provides recommendations on how to achieve this. The report provides eleven concrete recommendations, of which three are directed at member States, while the remaining eight are directed at the Management of the secretariat. Out of those eight recommendations, two (no. 5 and no. 8) cannot be implemented by the secretariat without General Assembly approval or additional resources. The following sections will provide the secretariat’s response to each of the recommendations and the related findings of the report:

A. Intergovernmental consensus-building

8. With regard to UNCTAD’s work on intergovernmental consensus-building, the Inspector argues that the secretariat has gained too much leverage in the intergovernmental negotiations, through the “pre-drafting” of agreed conclusions. **Recommendation 1** therefore urges that: **“The legislative bodies of UNCTAD should take their responsibilities in reaching their agreed conclusions without any interference from the supporting services of the secretariat, which should only be requested to process the resulting intergovernmental parliamentary documentation.”**

9. The secretariat welcomes this call for more active participation by our member States, and stresses that it only provides draft inputs for the negotiation process (such as draft agreed conclusions) when requested to by member States. In particular, no evidence has been provided by the Inspector that substantiates the notion of undue “interference” by the secretariat in intergovernmental negotiations.

10. The Inspector also notes that according to interviews with member States, there was a lack of transparency and communication between the member States and the secretariat regarding the substantive work (para. 36). The secretariat reiterates its stance on improving transparency, and stands ready to brief member States on any matter under its mandate.

11. In the context of communication, the report also acknowledges the efforts by the Secretary-General of UNCTAD to strengthen the Communications, Information and Outreach Unit, and identifies a number of areas for further action. The secretariat welcomes the Inspector’s suggestion to accelerate the reform on outreach and communication, and stands ready to implement it. Progress in the strengthening of communications and outreach has been hampered by insufficient resources (as is also acknowledged by the report). With regard to the delays in the launch of the new UNCTAD website, the secretariat notes that since the issuance of the advance version of the report, the new website has been launched, and is now operational. The secretariat is looking forward to the active involvement of our stakeholders in improving its functionality.

B. Research and analysis

12. In the area of research and analysis, the report claims that UNCTAD has lost some of its research capacity, and calls for a strengthening of this pillar of UNCTAD. In this context, it commends the recent re-creation of a Unit on Economic Cooperation and Integration among Developing Countries (ECIDC). The section of the report dealing with research and analysis does not discuss any of the secretariat’s established research outputs, such as the *Trade and Development Report*, the *World Investment Report*, the *Least Developed Countries Report*, the *Economic Development in Africa Report*, and others, all

of which have a recognized good record of providing research and analysis and innovative policy ideas. The absence of any discussion of UNCTAD's main research and analysis outputs makes it difficult to assess the claim that the organization has lost its research capacity, as evidence would generally point otherwise.

13. Noting that, in some cases, the translations of substantive reports are reaching member States late, **Recommendation 2** requests that: **"The Secretary-General of UNCTAD should coordinate with the Director-General of UNOG the preparation and signature of an MoU covering all working arrangements in the area of administration and conferences services."**

14. The secretariat fully recognizes that recurring delays in the translations of documents represent a problem for the work of UNCTAD's member States, and thus welcomes the Inspector's recommendation to address this issue. However, according to our assessment, the delays in translation are due primarily to a lack of proper resources in UNOG as well as the priority granted to the translation of Human Rights Council documents, rather than a lack of clarity in the cooperation arrangements between UNCTAD and UNOG, which are based on well-established United Nations rules and procedures governing the preparation and submission of documents. UNCTAD and the Division of Conference Management have good and regular working relations at the senior management level and the responsibilities of each are clearly defined. It is thus not clear whether a memorandum of understanding (MoU) would address the problem. It should also be noted that the Division of Conference Management is formally a part of the Department for General Assembly and Conference Management (DGACM) in New York, and so an MoU with DGACM would be more appropriate to cover working arrangements in the area of conference services. UNCTAD is nevertheless open to discussing with Conference Services partners how to improve timely translation of documentation, not excluding the conclusion of a formal agreement. If requested, the secretariat could initiate consultations, and report on progress to the annual session of the Trade and Development Board (TDB) in September.

15. With regard to the provision of other administrative support services, an MoU between UNCTAD and UNOG has been in place since 2006. Moreover, for several administrative areas, the areas of competence of UNOG and UNCTAD are already defined by delegations of authority from the Secretary-General of the United Nations.

C. Technical cooperation

16. In the area of technical cooperation and partnerships, the Inspector argues that the secretariat's approach to partnerships is piecemeal, and **Recommendation 3** asks that: **"The Secretary-General of UNCTAD should launch a structured, long-term strategy of partnerships complemented by a proactive fundraising strategy and negotiate respective Memoranda of Understanding with all of UNCTAD's partners for development."**

17. The secretariat supports the Inspector's recommendation to develop a long-term strategy of partnerships as well as a proactive fundraising strategy, which is fully in line with the Secretary-General's efforts to strengthen UNCTAD. The UNCTAD secretariat is already widely engaged in partnerships across the United Nations system and beyond. In addition to leading the United Nations Inter-Agency Cluster on Trade and Productive Capacity, which the report acknowledges as a success, UNCTAD is actively consulting with its partner agencies in numerous inter-agency consultation mechanisms, such as the Executive Committee on Economic and Social Affairs, the High-Level Committee on Programmes, the High-Level Committee on Management, and the United Nations Development Group. The secretariat also participates in a number of ad hoc task forces,

such as the United Nations Secretary-General's High-Level Task Force on the Global Food Security Crisis, and the UN Task Team on the Post-2015 UN Development Agenda, so as to form partnerships in the key areas on its agenda. There is always room for improvement, and we welcome the suggestion of developing a structured long-term strategy of partnerships.

18. The secretariat has also been engaged in a process to improve the internal coordination of technical assistance projects through our Project Review Committee, which has served to reduce duplication and strengthen interdivisional cooperation ever since its establishment in 2008. A coordinated fundraising strategy represents a logical next step in this ongoing process. The secretariat therefore accepts this recommendation, and will develop a draft strategy of partnerships as well as a draft fundraising strategy, which would serve as the basis for the identification of strategic partners for negotiation of MoUs, if needed. A first draft of the strategies could be ready for consideration before the end of the year.

19. In his discussion of partnerships, the Inspector suggests that UNCTAD cooperate more actively with the entities of the human rights community, particularly in the context of the General Assembly's Declaration on the Right to Development. So far, the UNCTAD secretariat has provided inputs to the Working Group on the Right to Development, on trade and development-related issues, as per our mandate. It is our assessment that further involvement in this cooperation may require a clear mandate on work on the Right to Development. If member States so request, the secretariat stands ready to get more involved in these discussions.

D. Management and administration of the UNCTAD secretariat

20. In addition to the above recommendations to strengthen the secretariat's work in the three pillars, the report also makes a number of recommendations on how to improve the management and administration of the UNCTAD secretariat.

21. According to the Inspector, the secretariat is suffering from a lack of leadership, and there is no clear vision communicated to the staff. The Inspector claims that the Divisions are working independently of each other, in silos. In order to remedy this situation, **Recommendation 4** requests that: **"The Secretary-General of UNCTAD should define and elaborate, as a matter of priority, a clear RBM-integrated framework and implementing strategy, containing the elements described in paragraph 109, to translate the general programmatic mandates as part of the United Nations secretariat into long-term, mid-term and short-term programmes, in line with the priorities established by the member States of UNCTAD, with a clear delineation of responsibilities and a transparent, written definition of delegation of authority and accountability and to present it for consideration and approval by the TDB."**

22. With regard to the alleged lack of leadership and absence of communication with the staff, the Inspector did not identify any concrete cases where communication or leadership was missing. He did not make mention of the regular meetings of either the Accra Accord Steering Group, which has been meeting at senior level (including all Directors) to coordinate both the organization of the Accra Conference and its subsequent follow-up, nor of the Doha Coordinating Committee, which has been doing the same for the recent thirteenth session of the Conference. The Secretary-General of UNCTAD has also held senior management retreats with all Directors, and has established a number of other interdivisional working groups, which are mentioned in other parts of the review, such as the Project Review Committee, and the thematic working groups on issues such as the global food crisis, implementation of our greenhouse gas emissions mitigation strategy, and financing for development. Furthermore, the Secretary-General held at least two Town Hall

meetings with all staff in the course of the review itself, and meets Directors regularly to follow up on the implementation of the work programme.

23. With regard to the recommendation to establish a results-based management (RBM) integrated framework and implementing strategy, the secretariat stands ready to fully implement the recommendation in line with the wider United Nations Secretariat efforts to strengthen results-based management. As a Programme within the United Nations Secretariat, UNCTAD has already adopted a results-based approach in the planning and delivery of its work programme, in line with the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation.¹ In addition, the developments and progress in using RBM have been monitored by the Working Party on the Strategic Framework and the Programme Budget on a regular basis. It should also be noted that UNCTAD's Technical Cooperation Service is currently developing, in cooperation with the Project Review Committee and the Evaluation Unit, a Results-Based Management manual for technical cooperation, focused mainly on the design of UNCTAD projects and the utilization of extrabudgetary resources. This manual may be considered as an element of the "RBM-integrated framework".

24. We recognize that strengthening accountability in the United Nations Secretariat is a continuous work in progress. Reviews by the Joint Inspection Unit (JIU) and the Office of Internal Oversight Services (OIOS) on the implementation of RBM in the United Nations system. The United Nations Secretary-General's Change Implementation Team and other entities concerned are developing a revised methodology and strategy for a more effective implementation of RBM within the unique context of the United Nations, which includes varied mandates some of which are more measurable than others. The UNCTAD secretariat welcomes the JIU efforts to strengthen results-based management and therefore accepts to implement those proposals within the framework of the policies and rules of the United Nations secretariat and in the context of its larger change management exercise. The secretariat will prepare a document outlining the improved RBM framework for UNCTAD, and present it to member States in 2013.

25. **Recommendation 5** asks that: "**The Secretary-General of UNCTAD should reconsider, in consultations with the member States, to reinstate the Division of Management to be headed by a Director at D-2 level to supervise and ensure the coordination of all support services previously under his/her direct reporting lines.**"

26. While the report identifies several measures for strengthening management, it is the secretariat's assessment that it does not provide adequate justification as to how and why reinstating the D-2 position of Director of the Division of Management (DOM) would contribute beyond the other suggested measures. Moreover, with the three former services of DOM reporting directly to the Deputy Secretary-General, the issue of supervision and coordination is covered at an even higher level, i.e. by an Assistant Secretary-General. Therefore, the D-2 position could be used more effectively in a substantive function. It is with this reasoning that the Secretary-General of UNCTAD requested member States to approve the reclassification of the former Director of the Division of Management (D-2) post as Special Coordinator on Research, Strategic Policy Planning and Capacity-Building, to be located in the Office of the Secretary-General of UNCTAD. Such a position would serve to strengthen the coordination of UNCTAD's substantive work, strengthen interdivisional cooperation, and improve UNCTAD's messaging and communications, as requested by the membership in Accra, and as reiterated in the report by the Inspector.

¹ Document symbol: ST/SGB/2000/8.

Member States approved this reclassification at the Fifth Committee in New York. Nevertheless, should additional resources be made available, the position of Director of Management could be reinstated. The secretariat therefore does not accept this recommendation but is open to the guidance of member States on this matter.

27. The report further identifies a number of shortcomings in UNCTAD's Human Resources Management, including long vacancy rates, as well as a lack of transparency. **Recommendation 6** therefore requests that: **"The Secretary-General of UNCTAD should ensure that recruitment processes are fair and transparent, with the prevailing selection criteria being based on the competencies of the candidates, and that the overall process is completed within time targets set up for the United Nations Secretariat."**

28. The report is correct to note that UNCTAD has continuously failed to meet the time targets set for recruitment processes. While improvements related to reducing the average selection time are acutely needed, it should be noted that the problem is in many instances systemic and not isolated to the UNCTAD secretariat. In the 2011 Human Resources Management Scorecard assessments, none of the 26 Departments/Offices of the United Nations Secretariat for which assessments were conducted met its target for average selection time. The secretariat has been working to address this matter, and, even if still too long, the time it takes to fill vacancies in the UNCTAD secretariat is already showing progress. The secretariat intends to take further remedial action in this regard and therefore accepts this recommendation in the areas that are within its delegation of authority.

29. In this context, the secretariat has recently taken steps to reorganize its Human Resources Management Section. The new structure improves the definition of responsibilities for recruitment and selection, providing dedicated attention to overseeing vacancy management. The recruitment of one Human Resources Officer responsible for this area is ongoing. This arrangement is expected to ensure improved and continuous training for programme managers, as well as the identification of best practices in recruitment and selection, to be replicated throughout the UNCTAD secretariat. The secretariat stands ready to provide regular updates on human resources-related indicators to the November session of the Working Party.

30. With regard to the request to ensure that recruitment processes are fair and transparent, the secretariat emphasizes that it fully complies with all the applicable United Nations rules and procedures on staff selection. Changes to the rules and regulations governing staff selection are not within the scope of UNCTAD, as these are determined and approved by the Secretary-General of the United Nations and the General Assembly.

31. In the area of Budget and Finance, the Inspector argues that the secretariat's fundraising approach is too bureaucratic and insufficiently centralized. His **Recommendation 7** therefore states that: **"The Secretary-General of UNCTAD should elaborate, in close consultations with the member States, a well-defined fundraising corporate strategy with clear objectives, goals, priorities and targets in a results-based management approach containing clear lines of responsibility and accountability by the parties involved to be considered for adoption by the Trade and Development Board."** As outlined previously, the secretariat welcomes and accepts this recommendation and stands ready to implement it. It proposes presenting a first draft of the fundraising strategy before the end of the year.

32. In his discussion of UNCTAD's Technical Cooperation Service, the report highlights the significant progress already made in consolidating the number of projects through clustering, as well as the improved interdivisional coordination achieved through the Project Review Committee, which was created in 2008. He further recommends, in **Recommendation 8**, that: **"The Secretary-General of UNCTAD should take action to**

upgrade and strengthen the Technical Cooperation Service, transforming it into a fully-fledged division which is instrumental in coordinating and providing support to other substantive divisions in matching needs and resources to deliver technical assistance to beneficiary countries, leading the definition and implementation of a corporate fundraising strategy for UNCTAD, and coordination partnerships for development.”

33. Given the resource constraints faced by UNCTAD and the United Nations system as a whole, the secretariat does not consider the creation of a Division to coordinate our Technical Cooperation and centralize fundraising as a feasible option under the current circumstances. It should be borne in mind that the Technical Cooperation Service, under the leadership of the Deputy Secretary-General, coordinates UNCTAD’s technical cooperation activities, while the substantive activities are carried out by the Divisions. If additional resources were made available, the modalities for strengthening the Technical Cooperation Service could be examined, even though the secretariat considers that there would be no significant value added from such an upgrading as the role of the Technical Cooperation Service is one of coordinating – not delivering – technical cooperation activities. We therefore do not accept this recommendation, but are open to discussion with member States.

34. The inspector further recommends in *Recommendation 9* that: **“Beside the current earmarked and proposed cluster trust funds, the Secretary-General of UNCTAD, in consultation with the Trade and Development Board, should seek authorization from the General Assembly to establish a non-earmarked general trust fund to support UNCTAD substantive operations, in particular its research and analysis work and technical cooperation activities.”**

35. As acknowledged by the Inspector in his report, the secretariat has made significant efforts to consolidate its technical cooperation projects, through the creation of clusters, so as to facilitate administration, and the process is ongoing. In this wider context, the creation of one non-earmarked trust fund would be the logical conclusion of a process of consolidation. In this context, the secretariat has suggested the establishment of a non-earmarked general trust fund to member States on several occasions (in particular during the negotiations for the Accra Accord in 2008, and more recently at a session of the Working Party in 2011). The proposals were not approved by member States.

36. The secretariat is therefore ready to accept this recommendation, provided that there is an interest expressed by member States to contribute to such a trust fund. If requested by the TDB, the Secretary-General of UNCTAD stands ready to request General Assembly authorization for the establishment of a non-earmarked general trust fund before the September session of the Working Party, and to report regularly on progress.

37. *Recommendation 10* returns to the issue of fostering interdivisional cooperation, and requests that: **“The Secretary-General of UNCTAD should establish a permanent interdivisional steering committee involving all Directors, the Chief of the Resources Management Section, the Chief of the Intergovernmental Support Service and the Chief of the Technical Cooperation Service to coordinate the preparation of work programmes, oversee and monitor their implementation, evaluate their performance and report on lessons learned and achievements.”**

38. Since taking office, the Secretary-General of UNCTAD has taken a number of initiatives to strengthen interdivisional cooperation, and meetings with Directors and the Chiefs of the Intergovernmental Support Service, the Technical Cooperation Service and the Resources Management Service are held as necessary. Nevertheless, the Secretary-General has acknowledged that there is room for improvement. On 9 May 2012, the Secretary-General of UNCTAD established the Doha Mandate Coordinating Committee,

which will convene all Directors at least once a month, and more frequently under the chairmanship of the Deputy Secretary-General, so as to set a strategy for and monitor the implementation of the Doha Mandate, and to determine policy and track performance by Divisions. The secretariat therefore accepts this recommendation and would suggest that this recommendation be considered implemented.

39. Finally, *Recommendation 11* requests that: “**The Conference should direct the Secretary-General of UNCTAD to ensure the sufficient allocation of resources for strengthening an independent and efficient evaluation capacity within the UNCTAD secretariat.**”

40. Currently, UNCTAD allocates 0.7 per cent of its budget to monitoring and evaluation activities, which falls slightly short of current benchmarks for resources for evaluation, according to which at least 1 per cent of the regular budget should be allocated to these functions. However, it should be noted that OIOS, on whose report this recommendation is based, did consider that by establishing a dedicated evaluation and monitoring unit in 2011, UNCTAD had taken sufficient steps in light of the present budgetary situation, and did therefore consider this recommendation as implemented. Pending the availability of resources, the secretariat stands ready to look into ways of strengthening its evaluation function.

II. Concerns

41. Beyond the recommendations, the secretariat has taken note of the results of the staff survey with concern. According to the Inspector, the staff survey results demonstrated “a deep loss of trust and confidence in the functioning of the secretariat in terms of leadership, management transparency, communication and fairness of treatment for the career development of staff.” In the findings of his review, the Inspector suggests that the secretariat should carry out a self-evaluation to identify how best to address the survey. Here, the secretariat would have hoped to be provided with more concrete recommendations based on the observations of the Inspector, so that urgent action could be taken.

42. In order to remedy the situation, it would be useful to have more information about the survey and the methodology used. In particular, it would be useful to know to what extent the reported problems are UNCTAD-specific, and to what extent they are due to aspects of the work environment shaped by wider United Nations rules and regulations. In 2005, an integrity survey was carried out across the entire United Nations system, which showed that many United Nations organizations were similarly affected, which may indicate that some of the problems could be United Nations-wide. Following the 2005 survey, the Secretary-General of UNCTAD established a “Task Force on Reform” to address some of the issues raised. The Secretary-General of UNCTAD is ready to consider re-establishing such a Task Force to follow up on its work.

43. While many of the Inspector’s actual recommendations are practicable and constructive indications of how to move forward, the report also contains a number of factual inaccuracies and assertions that are not substantiated by evidence. These assertions do not provide sufficient information to identify the source of the problem and devise measures to address it effectively. The secretariat highlighted many examples of this in the 55 pages of comments that were provided to the Inspector on the initial draft of the report on 31 January 2012, but only a few of them were taken on board.

44. Some of the more important examples of unsupported statements include the following:

45. Paragraph 15 states that: “Over the years, UNCTAD has struggled with an existential uncertainty about its organizational identity and the lack of a clear common vision from top management as well as decreasing commitment and leadership from member States.” The Inspector makes this strong statement based on interviews with member States and staff of the secretariat. However, the report does not elaborate on what is meant by the apparent “existential uncertainty” or how it has manifested itself. Similarly, no evidence is provided on where a clear common vision from top management has been missing, or where and how member States have reduced their commitment and leadership. Indeed, the phrase about “existential uncertainty” stands in contrast to the quote of the Accra Accord at the top of the same page of the report, in which member States unanimously agreed that “For over 40 years, UNCTAD has consistently addressed the concerns of all developing countries in the areas within its mandate and expertise, with the objective of assisting them in successfully integrating into the global economy.” Moreover, rather than witnessing “decreasing commitment” from member States, at the sixty-sixth session of the General Assembly in 2011, member States agreed on a resolution that “Reiterates the important role of the United Nations Conference on Trade and Development as the focal point within the United Nations system for the integrated treatment of trade and development and interrelated issues ...and calls upon the international community to work towards the strengthening of the Conference;” (A/RES/66/185). Also, at the fifty-seventh session of the TDB in 2010, member States concluded by “*Expressing* full support to UNCTAD and its work programme through the three pillars”.

46. In paragraph 16, the Inspector writes that: “Over the years, the UNCTAD secretariat became more and more bureaucratic, reducing its own endogenous research and analysis findings, becoming more a broker of expertise, contracting consultants and convening expert meetings collecting, compiling and synthesizing external knowledge.” However, no evidence of how the UNCTAD secretariat has become “more and more bureaucratic” has been provided, and – more importantly – no information on how to address the apparent concern in line with applicable United Nations rules and regulations. Given the terms of reference for the Inspector’s work, such recommendations would have been useful. Similarly, the Inspector states that UNCTAD has reduced its own endogenous research and analysis findings, though again, no evidence is provided. The Inspector argues further that UNCTAD’s research and analysis has been compromised by the increased use of consultants, reducing UNCTAD to a mere brokerage function. Yet, the financial resources available to UNCTAD for external consultants have been reduced considerably over the years, while the number of reports has actually increased. This would rather point to an increase in the productivity of in-house Research and Analysis, than to a decrease.

47. There are cases where the report is factually inaccurate and conclusions appear superficial. In paragraphs 147 and 148, for example, the Inspector notes that there was a decline in the extrabudgetary contributions to UNCTAD Trust Funds from \$36.8 million in 2007 to \$30.7 million in 2010, and goes on to argue that this decline could not be attributed to the financial crisis alone, but also reflects the decreasing interest of donor countries, as was indicated by donors’ representatives during interviews. However, in 2011, the extrabudgetary contributions to UNCTAD Trust Funds reached an all-time peak of \$44.37 million. If the reasoning of the Inspector is correct, this should be seen as an expression of confidence in UNCTAD’s Technical Cooperation activities.

48. Similarly, in paragraph 72, the Inspector argues that during the review, he “came across a number of instances of overlapping and duplication of UNCTAD work vis-à-vis other partner organizations, in particular with ITC...” Yet, no concrete example is provided to support this observation. In addition to undermining the credibility of the assertion, this lack of substantiation makes it difficult for the secretariat to address the situation. We have already taken a number of measures to reduce the risk of overlap through partnerships developed with the International Trade Centre (ITC) and other agencies such as the United

Nations Development Programme and the World Trade Organization, in the context of the Inter-Agency Cluster on Trade and Productive Capacity. In particular, possible overlaps with ITC have already been reduced through improved coordination of activities at the country level. Specific areas such as business facilitation and enterprise development have been discussed in bilateral meetings between the two organizations with a view to coming up with a clear division of tasks based on comparative advantage and expertise.

49. In paragraph 89, the Inspector claims that a significant number of member States, both developed and developing, “were disappointed with the performance of the secretariat”, and that there was a “sense of disconnection and alienation of the secretariat towards UNCTAD members.” He notes that “a common perception was that there was no sufficient consultations with member States to identify and set their priorities and that the secretariat was increasingly undertaking activities without being clearly requested for it, while lacking from general guidance and clear course of action.” No evidence is provided to support this claim. Similarly, no examples have been provided for the claim that the secretariat was conducting activities outside of its mandate. The secretariat is not aware of any intergovernmental document where member States are expressing such views. On the contrary, there are many examples of intergovernmental meetings wherein member States are discussing, guiding and agreeing upon the secretariat’s work. For instance: (a) The work programme and priorities for the secretariat are set by member States at the quadrennial Conference; (b) themes for meetings (e.g. multi-year and single-year expert meetings) are decided by member States; (c) the Working Party/TDB agree on the proposed programme narrative of the secretariat, which reflects the planned outputs for the biennium; (d) technical cooperation activities are reviewed annually by the Working Party at its September session; and (e) publications planned for the year are reviewed by the Working Party.

50. In the absence of substantiation, certain assertions do not contribute to the aim of the report of helping the secretariat become more effective in carrying out its duties, and threaten to undermine what is otherwise a useful review with a number of relevant recommendations. Some of them were maintained in the final version of the report, despite the detailed comments provided by the secretariat on the first draft of the report on 31 January 2012.

51. The secretariat looks forward to engaging in a detailed and constructive discussion with member States on the findings and recommendations of the report and this Management Response, with a view to strengthening UNCTAD’s effectiveness in delivering on its mandate.

III. Observations of the Inspector and comments by the UNCTAD secretariat

<i>Observations of the Inspector</i>	<i>Comments by the UNCTAD secretariat</i>
<p>1 Paragraph 2: <i>“Indeed, the UNCTAD secretariat requested JIU to postpone the launching of the current review until other ongoing audits were finished. To satisfy this request, JIU undertook its research only in November 2010 with the understanding that the UNCTAD secretariat would fully collaborate with JIU during the process to ensure the finalization of the report in time for its consideration by Member States at the UNCTAD XIII Conference, both by facilitating prompt responses to the request for information and by providing timely comments to the draft version of the report.”</i></p>	<p>The common understanding on the forum for discussion of this report was that this should be for the member States to decide.</p>
<p>2 Paragraph 3: <i>“Unfortunately, in the first half of the preparation of this review, the assigned team faced difficulties in getting the required information from the UNCTAD secretariat. For instance, the original draft was sent to the UNCTAD secretariat for comments on 22 December 2011, setting 16 January 2012 as the deadline to reply. However, the secretariat asked for an extension of the deadline until 31 January 2012. The new deadline was accepted provided that this would not delay the presentation of the report to Member States at their quadrennial Conference in Doha and also under the understanding that it would then make it easier for the Secretary-General of UNCTAD to provide his official comments to the final version as stipulated in article 11.4 (d) of the JIU Statute. Moreover, the Inspector requested the UNCTAD secretariat to identify a possible slot for presentation of the review during the Doha event, so that it would reach the Member States in time for their consideration of the report. Furthermore, the Inspector highly regrets that at least one top management official of the UNCTAD secretariat unduly interfered in the conduct of this review in clear infringement of article 7 of the JIU Statute on the expected independence of the Inspectors in discharging their duties. These events resulted in a significant delay in the finalization of the present review.”</i></p>	<p>The example of the delay provided by the Inspector is confusing, as 22 December 2011 marked the final phase of the Review, and not the first half. At that point, the two-week extension of the deadline for initial comments by the UNCTAD secretariat was warranted by the amount of work to be done in providing accurate comments, and could hardly be construed as a reason for a significant delay.</p> <p>With regard to the alleged undue interference in the conduct of this Review, the secretariat requested the JIU secretariat to provide additional information to substantiate this, but the JIU secretariat informed the UNCTAD secretariat that the Inspector would prefer not to provide further information at that time. We would be grateful if the Inspector could provide information as to how and why the secretariat has allegedly interfered, and how the alleged interference delayed the finalization of the report, so as to allow the secretariat the right to respond.</p>
<p>3 Paragraph 7: <i>“In the course of the present review, the Inspector conducted 71 interviews with key stakeholders such as the top management of the UNCTAD secretariat, including the Secretary-General, the Deputy</i></p>	<p>Not all of the programmes reviewed in this report were discussed with the relevant UNCTAD staff. For example, the JIU Review discusses in some detail the work carried out by Communications,</p>

Observations of the Inspector

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Secretary-General, the Directors of the Divisions, the Chiefs of the programme support services, the coordinator of the UNCTAD Virtual Institute (Vi), the Interregional Advisor, the Chief of the South-South Unit, representatives of 10 Member States (five from developing and five from developed countries, namely, China, Germany, Ghana, Hungary, Mexico, Nepal, Paraguay, Switzerland, Thailand and Zimbabwe), three regional groups (GRULAC, G77 and China, JUSCANNZ), a delegation from the European Union, 16 staff members of the UNCTAD secretariat, among them middle managers and staff representatives, the Geneva-based Ombudsman, 10 staff members of partner organizations (World Trade Organization (WTO), United Nations Development Programme (UNDP), International Trade Centre (ITC), and the United Nations Office at Geneva (UNOG)) and 26 officials during the field missions to Cuba, Dominican Republic, Lesotho, Uganda, Rwanda and the United Republic of Tanzania as well as local government and civil society representatives.”

- 4 **Paragraph 15:** *“The effective implementation of the mandate of an organization depends strongly on having a robust management and vision to backing the definition of its mandate and activities, based on common shared vision of objectives and goals and reflected in short, middle and long-term strategic plans to achieve them, through a clearly oriented, results-based management (RBM) strategy. The Conference, if effectively organized and adequately supported, has the broad mandate needed to make a significant contribution in the international community by playing its assigned role as an essential forum for the definition and promotion of sustainable development policies. Although UNCTAD has always played an important role in the international discussions around trade, the present review reveals several risks. Over the years, the UNCTAD secretariat has struggled with an existential uncertainty about its organizational identity and the lack of a clear common vision from top management as well as decreasing commitment and leadership from Member States. This view was conveyed to the Inspector by both, Member States and staff of the secretariat in the interviews.”*

Information and Outreach (CIO). Yet, no representative of CIO was interviewed by JIU. Similarly, the Vi initiative is discussed in some detail, although the facts about it were not sought from the Director of the Division at the time.

A due process of consultation would have allowed triangulation of findings to ensure accuracy.

UNCTAD’s organizational identity has been clearly stated in its Strategic Framework for many biennia. UNCTAD is the “focal point within the United Nations system for the integrated treatment of trade and development and the interrelated issues of finance, investment, technology, and sustainable development”. This has not changed and has been understood by the secretariat and our member States for many years now in the implementation of our mandates.

In this same JIU report, the Inspector in fact states in paragraph 168 that the Secretary-General had established in 2008, “a strategy of Communication, Concentration and Coordination (‘3C statement’) as a common vision for the secretariat”. In this regard, the sweeping assertion here that there is a “lack of a clear common vision from top management” seems unfounded.

Rather than witnessing “*decreasing commitment and leadership from Member States*”, at the sixty-sixth session of the General Assembly in 2011, Member States agreed on a resolution that “**Reiterates the important role of the United Nations Conference on Trade and Development** as the focal point within the United Nations system for the integrated treatment of trade and development and interrelated issues...and **calls upon the international community to work towards the strengthening of the Conference**” (A/RES/66/185). Also, at the fifty-seventh

- 5 **Paragraph 16:** *“When created, the Members States of UNCTAD expected it to become a unique and instrumental source of expertise to advise them in the process of development and trade that was underpinning the strategies of the developing countries to better integrate economic growth. As such, under the leadership of Raúl Prebisch as its founding Secretary-General, the UNCTAD secretariat hired a staff of experts on economic and development issues that were creating ex-novo, from within the organization, new ideas issued from the think tank that they were effectively creating. Over the years, the UNCTAD secretariat became more and more bureaucratic, reducing its own endogenous research and analysis findings, becoming more a broker of expertise, contracting consultants and convening expert meetings collecting, compiling and synthesizing external knowledge. The secretariat view is that, given the broad range of UNCTAD mandate, and for budgetary reasons, it is practically impossible to have in-house expertise to deal with all the issues covered and, therefore, the use of targeted outside expertise plays an important role in the delivery of the UNCTAD mandate.”*

session of the Trade and Development Board (TDB) in 2010, member States concluded by “Expressing full support to UNCTAD and its work programme through the three pillars”.

The Inspector’s assertion that the UNCTAD secretariat has reduced “its own endogenous research and analysis findings, becoming more like a broker of expertise” is an inaccurate generalization of the varied research and policy analysis work undertaken at UNCTAD. The Inspector refers in one section of the Review to the most “research-intensive” subprogramme (Globalization, Interdependence and Development). However, pertinent examples from its work over the years in the context of the *Trade and Development Report*, and in more recent years with respect to the impact of the global economic crisis, lead to the opposite conclusion: namely that through such endogenous research UNCTAD is viewed as a source of expertise on burning issues, such as “policy space”, “systemic coherence”, “reform of the international monetary system”, “regional monetary and financial cooperation” and “financialization of commodity markets”. This is ensured by relying principally on in-house resources (with minimal use of external consultancy).

Given the broad range of UNCTAD’s mandate, and for budgetary reasons, it is practically impossible to have in-house expertise to deal with all the issues covered. Thus, the use of targeted outside expertise plays an important role in the delivery of UNCTAD’s mandate. Nonetheless, over the years, the resources available to UNCTAD for consultancies have been reduced drastically, while – at the same time until at least the last three to four years – the number of research and analysis outputs produced by the secretariat has been increasing. This in fact would point to an increased productivity of in-house staff.

Moreover, past external evaluation reports have noted that the use of local experts for country-specific reports or training activities can enhance their relevance and contributes to promoting the sustainability of interventions. See, for example, paragraph 34 of the report of the external evaluators on UNCTAD’s programme on science and technology for development (TD/B/WP/234) which states: “A common shortcoming mentioned in the interviews is limited participation of local experts in project activities that would enable more transfer of skills and

Observations of the Inspector	Comments by the UNCTAD secretariat
<p>6 Paragraph 18: <i>“Managerial weaknesses and lack of leadership (such as in the coordination and communication between the different divisions and services; see Chapter V.D below) have led to a fragmentation and lack of coordination in the planning and delivering of activities by the Conference. The Inspector expects that this review and its recommendations will become an effective tool to help the organization focus on the areas in which it has a unique role to play and where it can bring value-added in the area of trade and development to developing countries, in particular to least developed countries (LDCs) and countries with economies in transition.”</i></p>	<p>knowledge from UNCTAD staff and experts to national personnel”. Such concerns thus also need be taken into account.</p> <p>The observation in the first sentence is not supported by evidence as to what the perceived “managerial weaknesses” are, and what “fragmentation” has been observed. Such a generalized statement does not identify specific issues to be addressed and thus does not allow the secretariat to take appropriate remedial actions.</p> <p>While there is always scope for continuous improvement, it should be noted that the perceived “managerial weaknesses and lack of leadership” have not compromised the planning and delivery of activities by UNCTAD. For instance, the conclusion of the Office of Internal Oversight Services (OIOS) in a recent audit report should be noted wherein it states: “in OIOS’s opinion, UNCTAD governance, risk management and control processes were satisfactory in providing reasonable assurance regarding the arrangements to support quadrennial conferences, meetings and intergovernmental processes” (Report of the audit of UNCTAD arrangements to support quadrennial conferences, meetings and intergovernmental processes, assignment AE2011/345/01, paragraph 12).</p>
<p>7 Paragraph 20: <i>“Doubtless, the UNCTAD secretariat has before itself a range of possibilities in interpreting and implementing its broad mandate. Indeed, as an organization aiming at consensus-building it should establish as a priority reaching consensus in this regard. During the review, the Inspector observed that there were diverging views among the different groups of Member States in the interpretation of where to set the boundaries concerning the areas falling under UNCTAD mandate. While developed countries advocated for a quite strict interpretation to avoid enlarging the scope and coverage of development-related issues (e.g. environment), the developing countries were in favor of an evolving mandate to adapt to new and emerging issues in the context of sustainable development. In the view of the secretariat, in fact the developed countries do not necessarily want to limit UNCTAD mandate, but rather expand it to other areas, such as good governance, gender and human rights.”</i></p>	<p>The purpose of this paragraph is unclear. UNCTAD is guided by its mandate as agreed by the General Assembly, as well as its work programmes agreed by the UNCTAD Ministerial Conferences and TDB. These documents represent the collective view of the member States. That different groups or individual member States may have different preferences or views about the mandate is not directly relevant to the work of the secretariat, which follows the collective guidance of all member States.</p>
<p>8 Figure 1</p>	<p>This figure is factually inaccurate. The oversight system that the UNCTAD secretariat falls within also comprises the Board of Auditors, OIOS and JIU.</p>

<i>Observations of the Inspector</i>	<i>Comments by the UNCTAD secretariat</i>
<p>9 Paragraphs 33–39</p>	<p>This depiction of the operation of the UNCTAD intergovernmental machinery and the role of the secretariat therein lacks the necessary contextual information and fails to discern the different functions of the secretariat:</p> <p>- The Inspector rightly refers to its role of “<i>advising</i>” member States on substantive issues, “<i>assists</i>” the member States in “<i>reaching agreed positions</i>” and “<i>servicing the intergovernmental machinery</i>” (para. 34). However, this description does not take into account significant differences in the various functions performed by the secretariat at all stages of the intergovernmental process, as well as before and after, lumping them together in a sweeping generalization termed as “<i>interference</i>”(recommendation 1).</p> <p>The Review, for example, does not differentiate between different forms of outcomes of intergovernmental meetings, from “Noting” a report or an agenda item, to “President’s Summary”, to “Agreed Conclusions” at the Board, not to mention the Conference outcome documents (Accra Accord, Doha Mandate). Each of these requires secretariat advice, assistance and servicing to be issued, indeed, for delegations to be able to carry out their work of reaching consensus.</p>
<p>10 Paragraph 36: “<i>According to member States’ representatives interviewed, two key problems that affect the functioning of the intergovernmental machinery are the lack of transparency regarding the substantive work of UNCTAD, and communication between member States and the secretariat. Several representatives have pointed to the need for better communication between the UNCTAD secretariat and the permanent missions, including better outreach mechanisms and a more proactive approach towards promoting its main products, in particular the publications.</i>”</p>	<p>Given that the paragraph reflects the results of interviews with representatives of member States, it would be useful if the report could explain further what is meant by the “lack of transparency regarding the substantive work” or “[lack] of communication between member States and the secretariat”. Examples or other evidence would be useful to help the secretariat improve the situation. All flagship publications are presented and discussed at the intergovernmental level. UNCTAD’s communication strategy was approved by TDB and its implementation is reviewed annually by member States.</p> <p>Within its existing resources, CIO or individual divisions also apply a few monitoring tools to assess some aspects of evaluation. (web downloads wherever technically possible, press clippings, Civil Society Outreach participation). Additional tools to monitor impact would be desirable, but are subject to the availability of resources.</p>
<p>11 Paragraph 38: “<i>Whereas some member States complained about the lengthy process of agreeing on these conclusions, others did not really know why the secretariat was preparing</i></p>	<p>The UNCTAD secretariat only pre-drafts intergovernmental documents for negotiations when asked to do so by member States.</p>

Observations of the Inspector	Comments by the UNCTAD secretariat
<p><i>such substantive documents for its governing body. According to the interviews, this practice had helped to reinforce the impression that UNCTAD is secretariat-driven instead of driven by member States and as a consequence some countries had become “inactive members”. The Inspector expresses his concern about this issue and strongly recommends discontinuing the practice of “pre-drafting” of any intergovernmental document by the secretariat. Instead, member States should agree on conclusions themselves, if they so wish, and hand over a compendium of conclusions to the secretariat for their final processing and issuance on their behalf.”</i></p>	<p>Member States are free to accept or discard any proposed text or to supplant it with their own draft. Ultimately, the agreed text reflects the view of members.</p>
<p>12 Recommendation 1: <i>“The legislative bodies of UNCTAD should take their responsibilities in reaching their agreed conclusions without any interference from the supporting services of the secretariat, which should only be requested to process the resulting intergovernmental parliamentary documentation.”</i></p>	<p>The use of the term “interference” is not backed by concrete evidence.</p> <p>As stated in document ST/SGB/2002/13, Status, basic rights and duties of United Nations staff members, V. Standards of conduct for the international civil service, 2001, paragraphs 23 and 24, “The main function of the secretariat is to assist the legislative bodies in their work and to carry out their decisions”. Thus it could “be quite appropriate to provide factual information, technical advice or assistance with such tasks as the preparation of draft resolutions”</p>
<p>13 Paragraph 40: <i>“In 2008 the UNCTAD secretariat established the Communications, Information and Outreach (CIO) Section to coordinate the outreach activities of the organization. In 2010 the Office of Internal Oversight Services (OIOS)⁹ audited this section and made 17 recommendations. As of December 2011, the UNCTAD secretariat had reported to the JIU that 5 recommendations had been implemented and 12 were in progress, with target dates in the first quarter of 2012. The UNCTAD secretariat has not provided further details on which recommendations had been implemented and which ones were still in progress. The work on the implementation of the new website is carried out jointly by the CIO section and the IT Support Section. In this respect the OIOS report states that inadequate website governance resulted in the lack of web strategy and policy guidelines and a lack of common branding, layout and design among various websites.”</i></p>	<p>The UNCTAD secretariat did provide “further details on which recommendations have been implemented and which ones are still in progress” on 19 December 2011, that is, five days after the Inspector’s original request.</p> <p>A common branding, layout and design among various websites was developed by CIO and adopted in June 2011. In March 2012, UNCTAD’s new website was launched. Its features include better organization of the content and improved search facilities. It has been designed to provide a simpler and more effective way to access information and address the needs of member States. These initiatives have all been undertaken within existing resources.</p>
<p>14 Paragraph 41: <i>“The CIO section reports directly to the Deputy Secretary-General. It used to belong administratively to the Division of Management (DoM), although it does not appear as such in the official organigramme of the</i></p>	<p>It should be noted that while the report provides a number of observations about the implementation of the communications strategy, neither the Deputy Secretary-General of UNCTAD nor any member of the CIO team were consulted on</p>

Observations of the Inspector	Comments by the UNCTAD secretariat
<p><i>2010–2011 programme budget of the UNCTAD secretariat. While considering that the establishment of the CIO section in 2008 had contributed to improved effectiveness in carrying out the UNCTAD outreach programme, key issues concerning the structure of the section, its planning, monitoring and funding needed to be addressed to improve its efficiency. The areas identified for improvement covered among others the following issues: need for clarification of reporting lines, better definition of role and responsibilities in the implementation of the outreach and communication strategy, inadequate accountability and unclear reporting lines, inadequate identification of documentation needs and related fund-raising strategy, as well as inadequate arrangements for monitoring and evaluating all aspects of the communication strategy.”</i></p>	<p>communications-related questions by the Inspector.</p> <p>Our request for clarification on what is meant by “inadequate accountability” was not taken into account by JIU. Since this paragraph points to a number of issues to be addressed to strengthen the efficiency of the CIO Section, we would be grateful for proposals on how to achieve this.</p>
<p>15 Paragraph 42: <i>“During the review, the Inspector could observe that efforts are going into redesigning the website, although some delays have disappointed the expectations of member States. It appears that, as with many of the inter-divisional initiatives (when any exist) within the organization, the coordination process among the different divisions and CIO is complex and difficult. There is a lack of common vision and of strategy commonly agreed among the different services. Some divisions do not feel adequately involved in a consultative process about the redesign of the website and the priorities given to its different components.”</i></p>	<p>The layout and generic order of the new website were discussed and drawn up with the respective divisions in workshops, meetings of the Communications Editorial Board and in one-to-one meetings with each division and unit.</p>
<p>16 Paragraph 44: <i>“The UNCTAD secretariat has given attention to improving communications and outreach with the aim of making UNCTAD better heard and more influential in international debates on development, trade and global governance.¹⁰ These intentions show that the secretariat has realized the crucial importance of improved communication with relevant stakeholders. However, in the Inspector’s view there is a need to define better outreach mechanisms for the intergovernmental machinery of UNCTAD and to clearly assign the responsibility for operating those mechanisms across divisions. These should ensure that the voice of substantive divisions is adequately heard and their proposals are being considered without imposing a top-down policy issued from CIO in isolation from the other divisions of the secretariat. The latter are indeed the key contributors to the substantive information and as such should be adequately consulted to ensure</i></p>	<p>The communications strategy was based on consultations within the secretariat, as well as with member States, civil society, the media and other stakeholders. The strategy was subsequently approved by member States at the fifty-sixth TDB session in 2009. Since then, the UNCTAD secretariat has provided regular reports to the Working Party on the Strategic Framework and the Programme Budget on the implementation of the strategy.</p> <p>The Communications Editorial Board within the UNCTAD secretariat meets on a regular basis (weekly or bi-weekly) to consult, inform and collaborate with designated representatives from divisions and services on all communication-related activities and related web activities.</p>

*that the new processes are feasible and agreeable to them. This strategy should also take more into account the needs of the member States and other UNCTAD partners, such as other international organizations, non-governmental organizations (NGOs), academia and civil society. However, the Inspector acknowledges that the present resource constraints will affect such efforts. **The Inspector urges the Secretary-General of UNCTAD to accelerate the ongoing reform of outreach and strategy and to ensure that the new website, fully functional, is launched during the course of 2012. The implementation of this strategy should be carried out in close collaboration with all substantive divisions.***

17 **Paragraph 46:** *“UNCTAD was created as a permanent Conference, a subsidiary body of the General Assembly. This is a unique case in the United Nations; it was considered so relevant as a platform for a permanent debate and as a substantive consensus-building tool on trade and development issues that it became a permanent Conference. This was to provide the platform for cross-fertilization between research and analysis, technical cooperation and parliamentary machinery.”*

18 **Paragraphs 45–50**

Article 22 of the Charter authorizes the General Assembly to establish such “subsidiary organs” as it deems necessary for the performance of its functions. The General Assembly established a large number of subsidiary bodies, including UNCTAD.

This section focuses on only one area of UNCTAD’s mandate that has recently been revived with new resources. There are other examples of UNCTAD’s results in the area of research and analysis equally deserving to be mentioned, since the global economic crisis in particular. Given the assertion of the Inspector in paragraph 16 that the UNCTAD secretariat had reduced its own endogenous research and analysis findings, it is noteworthy that the section of the report devoted to research and analysis does not discuss any of the organization’s major research and analysis outputs, such as the *Trade and Development Report*, the *World Investment Report*, the *Least Developed Countries Report* and others. It only makes a passing reference to them in paragraph 52, noting that “In a number of trade and development-related areas, the UNCTAD secretariat doubtlessly proves its competence in the substance matter”, which stands in contrast to the earlier assertion. In fact, there were at least 27,557 citations of UNCTAD’s research work during the period of implementation of the Accra Accord. It would be helpful if the Inspector could provide further information on how the reduction in the UNCTAD secretariat’s endogenous research and analysis findings has manifested itself, and what can be done to address it.

UNCTAD's role in the present international debate is highlighted throughout the Report, and the present crisis is seen as a "golden opportunity" (para. 186) for gaining relevance. In fact, UNCTAD's original research contributions to the G-20 Finance Track since 2010 should also be mentioned as a good example of the secretariat seizing an opportunity and inserting UNCTAD into a serious multilateral process and its ideas into global debate. Other examples of results since the global economic crisis in particular which are not referred to in the Review include the following: early warnings at the fifty-fourth TDB session in 2007 of the imminent financial sector crisis; the *Trade and Development Report, 2009* on comprehensive analysis of the roots of the global crisis, including at the international monetary systemic level; research in 2010 on regional monetary cooperation in Latin America; and research since 2011 on the financialization of commodity futures markets.

- 19 **Paragraph 57:** *"The Inspector believes that part of the problem originates in the working arrangements between the UNCTAD secretariat and conference services at the United Nations Office at Geneva (UNOG). Whereas the latter recognize that the UNCTAD secretariat is one of their regular budget (RB) clients, no terms of reference (ToR) or memorandum of understanding (MoU) regulate the official work relationship between the two entities. Instead, there are regular meetings with high-level officials and with the Deputy Secretary-General and the minutes of those meetings are considered official agreements. **The Inspector believes that - in particular as there is a shortage of resources for translation and member States complain about the service levels - the work relations between the UNCTAD secretariat and UNOG conference services should be institutionalized on a general level as it is common practice with other entities of the United Nations secretariat. Such a clear agreement would facilitate the planning of work for UNOG, which provides services to many other Geneva-based entities (and also to other duty stations such as Bonn) within resource constraints.**"*
- The report notes that all operational arrangements between the UNCTAD and UNOG secretariats have already been established and formalized. As the situation persists, owing largely to a shortage of resources, it is not clear how an MoU would add value.
- 20 **Paragraph 58:** *"The UNCTAD secretariat often experiences significant delays related to the translation of its reports. In the case of the Trade and Development Report (TDR) there have been on many occasions several months between the issuance of the original version in English and*
- In 2011, 93 per cent of parliamentary documents were submitted on time, and 96 per cent in 2010. As the Inspector has noted in paragraph 57, which is consistent with our understanding of the situation following close consultations with UNOG, there "is a shortage of resources for

Observations of the Inspector	Comments by the UNCTAD secretariat
<p><i>the release of versions translated into other languages. The Inspector believes that it is crucial to ensure that major UNCTAD publications and all documentation for intergovernmental meetings be available on time in all six official United Nations languages, while he acknowledges the resource constraints of UNOG conference services. The implementation of the following recommendation is expected to further enhance effectiveness in the coordination of administrative and conference services between the UNCTAD secretariat and UNOG.”</i></p>	<p><i>translation”. This causes delays beyond the control of the UNCTAD secretariat.</i></p>
<p>21 Recommendation 2: “The Secretary-General of UNCTAD should coordinate with the Director-General of UNOG the preparation and signature of an MoU covering all working arrangements in the area of administration and conferences services.”</p>	<p>The secretariat fully recognizes that recurring delays in the translations of documents represent a problem for the work of member States, and thus welcomes the Inspector’s recommendation to address this issue. However, according to our assessment, the delays in translation are due primarily to a lack of proper resources in UNOG, as well as the priority granted to the translation of Human Rights Council documents, rather than a lack of clarity in the cooperation arrangements between UNCTAD and UNOG, which is based on well-established United Nations rules and procedures governing the preparation and submission of documents. UNCTAD and the Division of Conference Management have good and regular working relations at the senior management level and the responsibilities of each are clearly defined. It is thus not clear whether an MoU would address the problem. It should also be noted that the Division of Conference Management is formally a part of the Department of General Assembly and Conference Management (DGACM) in New York; therefore, an MoU with DGACM would be more appropriate to cover working arrangements in the area of conference services.</p> <p>With regard to the provision of other administrative support services, an MoU between UNCTAD and UNOG has been in place since 2006. Moreover, for several administrative areas, the competence of UNOG and UNCTAD are already defined by delegations of authority from the Secretary-General of the United Nations.</p>
<p>22 Paragraphs 60–63</p>	<p>The DMFAS Programme is highlighted as one of UNCTAD’s two “<i>landmark TC programmes</i>”. Indeed, while this section correctly links the success of technical cooperation to solid support from the other two pillars, it subsequently refers to only one, the biennial conference on debt management (para. 62), which is effectively intergovernmental interaction with its Debt Management Programme. However, for</p>

<i>Observations of the Inspector</i>	<i>Comments by the UNCTAD secretariat</i>
<p>23 Paragraph 64: <i>“The Inspector believes that the UNCTAD secretariat should favour and focus on this type of multi-country model programmes due to its flexibility and multi-country potential impact and draw on lessons learned from these two TC programmes to elaborate a “Best practices guide” that could be of use for all other TC activities within the UNCTAD secretariat.”</i></p>	<p>consistency, accuracy and balance, UNCTAD’s broader mandate and activities on external debt issues could be mentioned, whereby the Debt and Development Finance Branch, encompassing DMFAS, also prepares the General Assembly report on external debt, services the intergovernmental process related to debt in the General Assembly and conducts research on a range of debt sustainability and related issues. This “holistic” functionality of UNCTAD’s work on debt is critical to ensuring synergies between analytical work and technical cooperation.</p> <p>The DMFAS and Automated SYstem for CUstoms DAta (ASYCUDA) programmes are in many ways atypical technical cooperation programmes of UNCTAD. The two programmes consist of software packages, developed by UNCTAD, installed in the central banks and customs offices of the beneficiary countries, respectively. UNCTAD updates the technology and trains beneficiaries to use these tools. Because of the specificities of these two programmes and their mode of financing, only very general lessons and best practices could be applicable to other technical cooperation activities that are different in nature.</p> <p>As not every project is similar to ASYCUDA or DMFAS in terms of content or modes of implementation, they may not be appropriate models for all of UNCTAD’s multi-country programmes.</p>
<p>24 Paragraph 66: <i>“Some of the traditional partners of UNCTAD in the area of capacity-building are the United Nations regional commissions, UNDP, WTO, ITC, UNEP, the World Bank and IMF, among many others. UNCTAD also establishes partnerships with the local authorities, as well as with members of academia and civil society in the countries where activities are being implemented. During the review, JIU requested the UNCTAD secretariat to provide updated information on current MoUs with their partners. The information obtained indicates that there is a piecemeal approach to partnerships, MoUs are defined with a starting date but not with clear ToRs and expiry/renewal dates. Although the legal advisor of the UNCTAD secretariat has the responsibility to serve as a general repository for MoUs, the overall management of the many MoUs in place appears to be decentralized within the UNCTAD secretariat.”</i></p>	<p>In order to ensure harmonization of the procedures for the issuance of MoUs, a set of guidelines was prepared by the UNCTAD secretariat, dated 29 July 2003. UNCTAD’s Senior Legal Adviser acts as a repository for the originals of all MoUs to which UNCTAD is party.</p>

- 25 **Paragraph 67:** *“The findings of the review show that - over time - many different Memoranda of Understanding have been established with the different partners mentioned above, but it is difficult to determine which ones are still in force and, if not, whether there is any plan for renewing these MoUs. The mandate for the UNCTAD secretariat to focus on strategic partnerships has been repeatedly reminded since the Midrand Conference onwards. The UNCTAD secretariat collaborates with many other organizations without a clear centralized strategy for partnerships emanating from the management of the organization. Indeed, the focal point informed that in addition of the list of MoUs provided, many activities were implemented with other partners without any MoU in place. **The Inspector believes that the TCS of UNCTAD (described in chap. V.C above) should have a lead role in structuring and clarifying the partnerships of UNCTAD and in providing the necessary support to coordinate MoU preparation, update and reporting on joint achievements.**”*
- It is unclear what is meant by a lack of a “clear centralized strategy for partnerships emanating from the management of the Organization”. UNCTAD has a mandate and a programme of work. Partnerships fall within the UNCTAD scope of work on these. UNCTAD has already taken a proactive role in forming partnerships in key areas of its work. It leads the United Nations Inter-Agency Cluster on Trade and Productive Capacity and participates in a number of high-level task forces on emerging issues, such as food security and the post-2015 United Nations development agenda.
- MOUs are not always efficient in ensuring effective partnerships. MOUs do not have any practical implication unless there is a precise work plan with clear tasks assigned to all partners and an allocation of resources to implement these tasks. The Technical Cooperation Service (TCS) can provide a leading role regarding partnerships only insofar as activities involved concern UNCTAD as a whole, or involve several UNCTAD divisions; otherwise partnerships can be more effectively managed within the relevant Division.
- There are different parties involved in the establishment of an MoU, including TCS and the Legal Adviser. They provide support and advice. For one main reason, the responsibility for structuring MoUs (from a substantive and operational point of view) should rest with the divisions: They will be responsible for implementing them later on.
- 26 **Paragraph 68:** *“... The Inspector believes that a dedicated focal-point structure within the TCS should be responsible for receiving requests for TC projects from Member States.”*
- TCS is already ensuring a coordinating role in this regard. A list of requests is compiled and regularly updated by TCS. It is posted for the sake of transparency on the UNCTAD website and shared with member States at the annual session of the Working Party dedicated to technical cooperation and in other forums.
- 27 **Paragraph 71:** *“While partnership in the field is a must for UNCTAD operations, no less important is partnership at the headquarters level. As a non-operational organization with limited resources, UNCTAD cannot be expected to carry out complex projects on its own, but this gap can be filled by UNCTAD more actively fostering its cooperation with other organizations, in particular with ITC, UNDP, the Department for Economic and Social Affairs (DESA), the United Nations regional commissions, UNEP and the WB, among others. In this context, it is noteworthy to mention that*
- The UNCTAD secretariat stands ready to strengthen its cooperation with entities of the human rights community on the “Right to Development” when it receives a clear mandate from our membership in this regard.

UNCTAD has been actively involved as an institutional member of the High-level Task Force on the Implementation of the Right to Development that completed its work in 2010. The Inspector is of the strong view that the UNCTAD secretariat should actively become the main advocate and catalyst within the United Nations system in the area of capacity-building for trade and development, as per its mandate. For example, in the context of the United Nations Declaration on the Right to Development (General Assembly resolution 41/128, annex), the UNCTAD secretariat should engage actively with the Office of the United Nations High Commissioner for Human Rights in mainstreaming the right to development and in strengthening the global partnership for development as called for in the annual General Assembly resolutions on the subject.”

28 **Paragraph 72:** *“During the review, the Inspector came across a number of instances of overlapping and duplication of UNCTAD work vis-à-vis other partner organizations, in particular with ITC, and concluded that the UNCTAD partnership approach is not coherent in this respect. While the Inspector recognizes the lead role as coordinating agency which the UNCTAD secretariat plays in the CEB cluster on Trade and Productive Capacity, he hopes that the UNCTAD secretariat can take decisive action to redress the long-lasting, unresolved problem of duplication. A new partnership strategy coupled with a pro-active fund-raising strategy for development-related operations, research and analysis should be established within the UNCTAD secretariat.”*

29 **Recommendation 3:** *“The Secretary-General of UNCTAD should launch a structured, long-term strategy of partnerships complemented by a pro-active fund-raising strategy and negotiate respective Memoranda of Understanding with all of UNCTAD’s partners for development.”*

Partnerships developed with ITC and other agencies such as UNDP and WTO, in the context of the United Nations Inter-Agency Cluster on Trade and Productive Capacity, are addressing the risk of duplication. In particular, possible overlaps with ITC have already been reduced through the improved coordination of activities at the country level. Specific areas such as business facilitation and enterprise development have been discussed in bilateral meetings between the two organizations with a view to establishing a clear division of tasks based on comparative advantage and expertise.

The secretariat supports the Inspector’s recommendation to develop a long-term strategy of partnerships as well as a coordinated fundraising strategy, which is fully in line with the Secretary-General’s efforts to strengthen UNCTAD. The UNCTAD secretariat is already widely engaged in partnerships across the United Nations system and beyond. In addition to leading the Inter-Agency Cluster on Trade and Productive Capacity, which the Review acknowledges as a success, UNCTAD is actively consulting with its partner agencies in numerous inter-agency consultation mechanisms, such as the Executive Committee on Economic and Social Affairs, the High-level Committee on Programmes, the High-level Committee on Management and the United Nations Development Group. The secretariat also

- participates in a number of ad hoc task forces, such as the United Nations Secretary-General's High-level Task Force on the Global Food Security Crisis and the United Nations System Task Team on the Post-2015 Development Agenda, so as to form partnerships in the key areas on its agenda. Nevertheless, there is always room for improvement, and we welcome the suggestion of developing a structured long-term strategy of partnerships.
- The secretariat has also been engaged in a process to improve the internal coordination of technical assistance projects through our Project Review Committee, which has served to reduce duplication and strengthen interdivisional cooperation ever since its establishment in 2008. A coordinated fundraising strategy represents a logical next step in this ongoing process.
- This information is not accurate. Requests for technical cooperation are received from member States, centralized by TCS and compiled in a list that is shared with donors. Donors are strongly requested by the secretariat to take the requests received into consideration.
- In addition, the annual session of the Working Party devoted to technical cooperation in September is the forum where donors and beneficiaries discuss allocation of resources and priorities.
- UNCTAD has been making efforts towards reducing the fragmentation of projects. A consolidation process into thematic clusters has progressed as demonstrated by the establishment of many thematic umbrella trust funds in major areas of UNCTAD technical cooperation activities. The number of open trust funds has now been reduced from more than 450 back in 2007 to 240 in 2011.
- Requests received from member States are centralized by TCS and compiled in a list that is posted on the website and circulated to donors, who, in turn, are invited to take these requests into consideration. The annual session of the Working Party devoted to technical cooperation in September should be the forum where donors and beneficiaries discuss allocation of resources and priorities.
- 30 **Paragraph 74:** *“In this context, the Inspector found that member States perceive UNCTAD TC projects as fragmented and “secretariat-driven” instead of “client-driven”. The UNCTAD secretariat, in contrast, faces substantial pressure from donors who often approach them with strictly earmarked funds. Thus, the secretariat describes those bilateral projects as “donor-driven” rather than based on demand from developing countries. Whereas donors often address the TC Service of UNCTAD with pre-defined areas of activity, the TC Service presents the collected requests from developing countries and tries to match them to donor expectations. However, fund-raising takes place without consultation of the main stakeholders, which are the clients or beneficiaries of TC.”*
- 31 **Paragraph 75:** *“Overall, the assessment of UNCTAD activities in the field was positive. Beneficiaries were satisfied with the quality of the projects and the expertise shared by the UNCTAD secretariat in implementing field projects. Their concerns do not relate as much to the effective implementation of projects but to the approach to set up a project with the UNCTAD secretariat. Representatives of countries commented on the lack of a centralized and well-established procedure to submit their request to the secretariat. The Member States would highly appreciate having a clear procedure to submit their requests to ensure that TC is really demand-driven from the countries and not “secretariat-driven.”*

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<p>32 Paragraphs 77 and 79: <i>“In Rwanda, the local coordinator for NRAs deals only with UNCTAD, allowing her to devote quality work and time to this endeavour. In cases where NRA coordinators in the field office are assigned to too many organizations, the UNCTAD secretariat could explore with the member States that they allocate a national expert financed by the concerned Government to this task...”</i></p> <p>and that “ ... in order to strengthen coordination at local level, in particular in countries with under-staffed offices of the Resident Coordinator, the Inspector invites the Secretary-General of UNCTAD to consider establishing agreements between Governments and the UNCTAD secretariat, in close collaboration with United Nations RC system, in order for the beneficiary country to facilitate the allocation of national experts to provide support to the UNCTAD secretariat through the local RC office, in particular for technical cooperation projects in which the UNCTAD secretariat is involved.”</p>	<p>The UNCTAD secretariat agrees with the Inspector’s proposal; however, there are significant challenges to its implementation, in particular in the current financial climate.</p>
<p>33 Paragraph 82: <i>“Five of the 11 African universities that participate in the Vi come from LDCs. In the course of the present review, the Inspector met with staff from the University of Dar es Salaam, United Republic of Tanzania, and from Makerere University Business School, Uganda, during his field mission. In Tanzania, which was a founding member of Vi, trade-related Master’s programmes have been established over the past years and trade issues have been comprehensively incorporated into the research agenda.”</i></p>	<p>The first sentence should accurately read: <i>“Eight of the 14 African universities that participate in the Vi come from LDCs”</i>.</p>
<p>34 Paragraph 83: <i>“Until November 2011, Vi was located in the Division on Technology and Logistics and was equipped with five Professional and two General Service (GS) posts.²² The substantive activities are funded by earmarked XB resources which are mainly donor-driven. As a consequence of intra-divisional management problems the Vi recently lost four of its Professional posts and one GS post, so that its current staffing is one P-5 and one GS post from the RB plus one post financed by XB resources. The other posts were relocated in the Division of Technology and Logistics, while the Vi itself was moved to the Division on Globalization and Development Strategies. There are ongoing discussions of relocating Vi to the Division on Globalization and Development Strategies which has traditionally been the most research-intensive division within the UNCTAD</i></p>	<p>Regarding the usage of extrabudgetary resources, it should be emphasized that first donors decide or agree with UNCTAD on the beneficiary countries and/or the type of activities that they are ready to fund. The secretariat then invites beneficiary universities to submit requests for specific activities within those agreed with the donor – e.g. specific research projects or workshops on specific issues – that would best help them in the development of their teaching and research capacities. After reviewing the proposals received from the beneficiaries, we select the best for implementation. It would therefore seem more adequate to say that the activities are both donor- and beneficiary-driven.</p> <p>Moreover, upon verification of the initial draft, the UNCTAD secretariat provided clarifications to JIU on the number of posts allocated to Vi, which have not been fully taken into account in</p>

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secretariat.”

- 35 **Paragraph 84:** *“Overall the Inspector was impressed by the state-of-the-art standard and the relevance of Vi services, as well as their impact on capacity-building in the developing countries concerned. Therefore, he is concerned with these developments and highly regrets the perceived lack of support to the Institute by the UNCTAD secretariat. Vi has proven to be very useful and instrumental in connecting UNCTAD research and analysis with sustainable capacity-building activities. In addition, Vi needs to attract more donors. The Inspector believes that some hands-on measures might help to revamp the image of the institute. First, a simple change in name from “Virtual Institute” to “UNCTAD Trade and Development Institute” and a new website might help to attract the attention of donors and new members and shift the focus more to the fact that the institute is producing tangible and above all long-term results for developing countries. This should go together with a new website and above all with a change in strategy towards having more in-person activities on the ground.”*

- 36 **Paragraph 89:** *“During the review, the Inspector met with member States’ representatives to seek their views on all aspects of the organization functioning and assess, in particular, the status of satisfaction regarding the services provided by the secretariat. A significant number of them, both from developed or developing countries were disappointed with the performance of the secretariat. In particular, there was a sense of disconnection and alienation of the secretariat towards UNCTAD members. A common perception was that there was no sufficient consultations with Member States to*

the report. The information on the number of posts allocated to the Institute while it was located in the Division on Technology and Logistics is factually incorrect. The number of posts allocated to the Institute should not be confused with the total number of posts in the section in which the Institute was located.

The last two sentences of paragraph 83 are incoherent. For clarification, it should be noted that the Secretary-General of UNCTAD decided to merge the activities of the Institute and those of the Global Network of Development Think Tanks as of 14 November 2011. This merger entailed the reassignment of the staff working on the Institute, along with related extrabudgetary resources, to the Division on Globalization and Development Strategies.

The sentence “... and highly regrets the perceived lack of support to the Institute by the UNCTAD secretariat” is factually incorrect, as the merger of the activities of Vi with those of the Global Network of Development Think Tanks was designed to strengthen synergies and economies, owing to the similarities in the target audiences and functions of the two programmes.

It would be useful to have further indication on how the proposed website should be different from the current one, allowing the UNCTAD secretariat to move in the right direction.

The secretariat is concerned by the reported disappointment with its performance among some member States. Unfortunately, the report does not provide further information, which could have facilitated the taking of remedial action.

UNCTAD’s member States take the lead in guiding the secretariat in various meetings. These include:

The work programme and priorities for the secretariat being set by member States at the quadrennial Conference;

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<p><i>identify and set their priorities and that the secretariat was increasingly undertaking activities without being clearly requested for it, while lacking from general guidance and clear course of action. The Inspector is of the opinion that member States should take the lead to clearly guide the secretariat, which, in turn, should fairly reflect their priorities in the plan and implement them accordingly.</i></p>	<p>Themes for meetings (e.g. multi-year and single-year expert meetings) being decided by member States;</p> <p>The Working Party/Board agreeing on the proposed programme narrative of the secretariat, which reflects the planned outputs for the biennium;</p> <p>Technical cooperation activities being reviewed annually by the Working Party at its September session;</p> <p>Publications planned for the year being reviewed by the Working Party at its session on the communications strategy/publications policy.</p> <p>In the light of this extensive list of consultations, it would be helpful if the Inspector could provide further clarification as to where further consultations were requested.</p>
<p>37 Paragraph 93: <i>“In the current situation, the support services provide the necessary support to the intergovernmental machinery, coordinate technical cooperation activities and manage resources (financial, human resources, travel arrangements, procurement, etc.). UNCTAD administration benefits from a considerable level of delegated authority for managing extra-budgetary funds and human resources management. In line with the existing delegations of authority, UNOG Division of Administration performs approving functions for most of the related processes. UNOG also manages those issues that are beyond the level of delegation of authority granted to the UNCTAD secretariat. During the review, the Inspector requested information about the delineation of competences between UNOG and the UNCTAD secretariat. However, there was no clarity in this area. While UNOG provided relevant information, the UNCTAD administration did not feel in a position to respond to some of the questions raised or responded only at a very late stage. It was thus difficult to assess the potential for better synergies and reduced duplication, although the Inspector considers that further exploration, had consistent data been provided, could have led to some interesting results to identify potential savings in terms of efficiency and effectiveness, and to avoid duplication in approval work. Many processes need to be validated first by UNCTAD administration, and once again by UNOG services.”</i></p>	<p>Our request for clarification on the statement “<i>the UNCTAD administration did not feel in a position to respond to some of the questions raised</i>” was not taken into account. Extensive information on the delegation of authority was provided to the inspection team both in writing and during the interviews.</p>
<p>38 Paragraph 95: <i>“The research and analysis is a core activity of the substantive divisions, in particular for the Division on Globalization and Development strategies which has been producing the Trade and Development Report on an annual basis since 1981, with due recognition</i></p>	<p>Here, the Inspector only mentions some of the flagship reports. The <i>Information and Economy Report</i> and the <i>Technology and Innovation Report</i> have been left out, as has the <i>Review of Maritime Transport</i>, which in fact has the highest rates in reader surveys.</p>

by the international community of its value added into the debate on trade and development. At UNCTAD XIII in Doha, a pre-event will celebrate the 30 years of the TDR. The Division on Investment and Enterprise produces the successful flagship publication World Investment Report on an annual basis; it is recognized as a useful and prestigious publication in this area of expertise. Other well-known publications include the Least Developed Countries Report and the Economic Development in Africa Report.”

- 39 **Paragraph 96:** *“The functioning of the other Divisions is quite independent one from another. Attempts at organizing high-level steering committees at the Directors level have been discontinued, and there is no joint strategy of regular interaction among the Divisions, which address their own workplans in silos. Common templates are used to collect inputs for the forecasting of expected outputs, but there is no joint consultation at a high level to provide information that is strategically agreed on by the organization as a whole, ex-ante. As for the Divisions’ workplans, there is not an internal model that could be followed by each Division to plan and report on its activities. There is much room for improvement in the area of coordination and harmonization of procedures. The Inspector found that only the Investment Division had prepared a workplan based on a clear RBM approach understood as a planning tool, not as a mere retroactive reporting method, as done with IMDIS. The review will make some specific recommendations in this regard in the following chapter.”*

It is inaccurate to say that there is no joint strategy of regular interaction among divisions. Divisional directors and staff constantly interact under different initiatives under the leadership of the Secretary-General and the Deputy Secretary-General. For example, in 2008, the Accra Accord Steering Group was established to implement the mandate of UNCTAD XII. Other interdivisional groups were also set up to review technical assistance projects, implement our new greenhouse gas mitigation strategy and provide intellectual input on ongoing and emerging development issues, from energy and food security to the Millennium Development Goals, financing for development and systemic issues. In addition, in the context of the preparations for UNCTAD XIII, the Secretary-General established in February 2011 the Doha Coordinating Committee, comprised of Senior Management, to coordinate and oversee all substantive, organizational, programmatic and logistical issues. On 9 May 2012, the Secretary-General of UNCTAD established the Doha Mandate Coordinating Committee, which will convene all directors under his chairmanship at least once a month, and more frequently under the chairmanship of the Deputy Secretary-General, so as to set a strategy and monitor the implementation of the Doha Mandate, determine policy and track performance by divisions.

The divisional work plans are based on the work programmes and priorities set by the last UNCTAD ministerial conference, and guided by UNCTAD’s intergovernmental machinery. Each division indicates the planned activities and measurement of performance and regularly prepares reports on achievements. The Integrated Monitoring and Documentation Information System, known as IMDIS, is more than “a mere backward reporting method”.

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<p>40 Paragraph 99: <i>“The table below [is] based on the programme budget for the biennium 2012-2013²⁷ and it confirms the above analysis in terms of the proportion of highly experienced senior staff. Indeed, when considering only the category of Professional staff, there are more staff members at P-4 and P-5 levels than the rest of the group (P-1 to P-3).”</i></p>	<p>As a knowledge-based institution (i.e. a think tank), UNCTAD is faced with the need to attract highly qualified individuals, which is sometimes only possible in higher grades.</p> <p>Other institutions, such as WTO, have a similar distribution of grades.</p>
<p>41 Paragraph 100: <i>“In view of the high level of expertise which is present in the UNCTAD secretariat, the Inspector is concerned that managerial functions seem to be subject to some deficiencies. In this respect, the results from the survey and from the interviews with member States’ representatives indicate that, on the contrary, there is a perception of low performance within the organization. While it is widely recognized that the mandate is highly relevant to the current context of globalization and change of economic regimes, the organization has not positioned itself according to its potential role, lacking strong leadership and visibility.”</i></p>	<p>The Inspector does not provide information on the indicators used to measure the “low performance” and on how it was manifested. A perception of low performance and actual low performance are different issues, and some evidence would help in addressing possible weaknesses.</p>
<p>42 Paragraph 102: <i>“While the Secretary-General of UNCTAD has an essential role in promoting the image of the organization, through improved outreach and communication strategies disseminating the results of UNCTAD work, the DSG has traditionally been in charge of driving the internal functioning of the organization and overseeing the concrete implementation of the programme of work. However, in practice, the findings of this review indicate that there is no perceived strong driving strategy communicated to the staff, nor even to middle managers in order to collectively coordinate and contribute to clearly define programmatic goals.”</i></p>	<p>The Secretary-General and Deputy Secretary-General strive to ensure that there is constant dialogue among staff and senior managers and among senior managers themselves. For example, in 2011, the Secretary-General carried out two town hall meetings with staff to reflect and exchange views about UNCTAD’s work and priority areas, as well as to discuss administrative and institutional-related matters of interest to all staff. In addition, in 2011, the Secretary-General and Deputy Secretary-General sent 20 memos to all staff concerning strategic substantive issues, as well as institutional, staffing and administrative matters, including informing all staff about the JIU Review, encouraging them to participate in the survey and inviting staff to fully cooperate with the Review. The Secretary-General and Deputy Secretary-General also have held informal meetings, including in special retreats, with senior managers to share and discuss strategic vision. For example, in January 2011, there was a two-day retreat with all senior managers to collectively share ideas and coordinate substantive input in the context of UNCTAD XIII. In 2011, the Secretary-General and Deputy Secretary-General also held meetings with senior managers to coordinate and discuss ideas about the Secretary-General report to the Conference.</p>
<p>43 Paragraph 108: <i>“There are some commendable exceptions. The Inspector observed that the Investment Division had adopted a strategic</i></p>	<p>As a Programme within the United Nations Secretariat, in line with the Regulations and Rules Governing Programme Planning, the</p>

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workplan with an RBM approach that should serve as an example for other Divisions of the UNCTAD secretariat, and for the organization as a whole. While the UNCTAD secretariat complies duly with IMDIS reporting, an RBM-based tool, it uses RBM more as an ex-post reporting method than as a forward-planning tool for designing long-term strategies of the secretariat. However, the UNCTAD secretariat as a whole would need an additional layer at the corporate level, i.e. a strategic management model to align operations and outputs with the mandate and overall goals provided by member States across all divisions leading to radical management change culture.”

Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2000/8), UNCTAD has adopted a results-based approach in the planning and delivery of its work programme.

This result-based approach includes, inter alia, the application of a logical framework approach to articulate clear objectives, expected accomplishments and indicators of achievement prior to the implementation of expected results rather than activities. These elements are formulated based on mandates given by member States and also take into account the comparative advantages of UNCTAD. Member States in Geneva are involved in the formulation of this logical framework when the Working Party meets to consider UNCTAD’s draft proposed biennial strategic framework and programme narrative.

In particular, in line with result-based management methodology, as the Working Party considers the biennial Programme Performance Report of the secretariat at the same time as it considers UNCTAD’s proposed strategic framework for the next biennium, it is able to use performance information to evaluate and improve programme direction for the following biennium.

Nonetheless, we recognize that strengthening accountability and lessons learning in the United Nations Secretariat is a continuous work in progress. Reviews by JIU and OIOS on the implementation of results-based management in the United Nations have noted many areas for improvement. In this regard, the Secretary-General of the United Nations will be presenting a proposal for the further implementation of results-based management in the United Nations secretariat which addresses the issues raised in benchmark 1 of the JIU framework, as well as the weaknesses identified by OIOS. As UNCTAD is a Department of the United Nations Secretariat, it will be bound by this framework. The Secretary-General’s Change Implementation Team and other United Nations secretariat staff are currently developing an appropriate methodology and implementation strategy for the unique context of the United Nations.

The Department of Management in New York, through its proposed Results-Based Management Unit, with methodological advice from OIOS, will be providing support to all secretariat programmes in the application of programme logic models for their respective subprogrammes, in order to clearly specify the linkages between

- resources used, mandated outputs and expected accomplishments, and to identify relevant indicators with which to measure and monitor progress towards achieving objectives. Guidelines are being developed and will be issued by mid-2012. It is anticipated that full implementation of this initiative will be completed by 2014. Coupled with this is a call for strengthened self-evaluation and monitoring capacities that will allow secretariat programmes to better assess clearly and systematically the relevance and effectiveness of our work, and also to enhance the secretariat's accountability to the membership in the use of its resources for delivering results within UNCTAD's sphere of influence.
- 44 **Paragraph 111:** *"In September 2008, the former Director of the Division retired. Between October and May 2009, inclusive, no less than five officers-in-charge (OICs) were designated, mostly for one-month only in this role. After this interim transition period, on 12 June 2009, an internal memo from the DSG to all UNCTAD staff members informed them about the reclassification approved by the Office of Human Resources Management, United Nations Headquarters of the D-2 post of Director of the Division of Management to a post with the following functional title: "Special coordinator on Research, Strategic policy planning and Capacity Building", in order for him or her to "provide substantive leadership to and manage the coordination of UNCTAD-wide activities related to research, operational and analytical work, and substantive servicing of intergovernmental bodies". This post would be located within the OSG of UNCTAD. The Inspector has made several requests to identify how this post has been used and for what function since its reclassification, but at the time of finalizing this report the information had not been provided to JIU, in spite of all efforts made in this regard. At first glance, it was noticeable that those functions duplicated those of the substantive divisions and no achievements have been reported in the mentioned areas since its creation."*
- 45 **Paragraph 115:** *"During the review, the Inspector was informed that the Division was abolished, and that the current structure of three services reporting directly to the DSG was applicable. There would not be a D-2 Director heading the administration of UNCTAD. The Inspector is not aware of such a major restructuring of the administration having been brought to the attention of the Member States and has no evidence of a proposed programme of*
- The UNCTAD secretariat wishes to clarify that the requested information was indeed provided to the Inspector in two parts: on the same day and two days after the original request for this information was sent to UNCTAD.
- With regard to the suggested duplication, it is important to point out that in evaluating the classification request for the Special Coordinator functions, the classification experts at the Office of Human Resources Management at United Nations Headquarters requested job descriptions for UNCTAD directors to ensure that there was no duplication.
- The UNCTAD secretariat provided clarifications to the Inspector regarding the redeployment of the D-2 post. It was indeed carried out according to the relevant rules and approved by Member States at the General Assembly. Furthermore, UNCTAD clarified that similar Geneva-based departments of the United Nations secretariat also have chiefs of administration at the D-1 level.

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<p><i>work being submitted for their consideration to assess the pertinence of the proposed new functioning and reporting lines. In most United Nations bodies, the functions of the Director of Administration are performed at the D-2 level. The Inspector regrets that DoM has been abolished. On the contrary, it should have been strengthened to effectively perform its essential management role for the organization.”</i></p>	<p>The Advisory Committee on Administrative and Budgetary Questions took note of the proposed redeployment in its report that was later considered by the General Assembly before the approval of the programme budget, as follows: “The Committee was informed that the redeployment of a D-2 post to executive direction and management is proposed to provide substantive leadership in management and coordination of the cross-cutting activities related to research. It was also indicated to the Committee that the management of programme support would not be adversely affected by the redeployment of a D-2 post and that key oversight responsibilities are now entrusted to the Deputy Secretary-General of UNCTAD. The Committee has no objection to the proposed redeployments.” (A/66/7).</p>
<p>46 Recommendation 5: <i>“The Secretary-General of UNCTAD should reconsider, in consultations with the Member States, to reinstate the Division of Management to be headed by a Director at D-2 level to supervise and ensure the coordination of all support services previously under his/her direct reporting lines.”</i></p>	<p>As previously commented, we consider this recommendation to have been rendered moot by the approval of the General Assembly of the programme budget for 2012–2013, including the redeployment of the D-2 post. Moreover, with the three former services of the Division of Management reporting directly to the Deputy Secretary-General, the issue of supervision and coordination is covered at an even higher level, i.e. by an Assistant Secretary-General.</p>
<p>47 Paragraphs 117 and 119: <i>“The Human Resources Management Section has been often criticized owing to its lack of transparency and the long vacancy rates for filling the posts within the secretariat. UNCTAD administration often argues that as a part of the United Nations secretariat they are not fully responsible for the lengthy processes and that a number of delays derive from delays at Headquarters. However, UNCTAD benefits from a generous level of delegation of authority which should result in better performance in terms of compliance with the goals to be reached in recruitment processes within the secretariat. Indeed, the assessment of the Human Resources Action Plan (see para. 121), part of the senior compact between the Secretary-General of UNCTAD and the United Nations Secretary-General, indicates failed performance for the majority of the targets. For instance, the average selection time for a Galaxy post as of December 2010 was 236 days, compared to the target of 120. The following subsection analyses in some detail Human Resources Management in UNCTAD.”</i></p>	<p>The statement that Human Resources Management has been often criticized in the past due to the lack of transparency should be substantiated with evidence.</p> <p>UNCTAD is subject to the United Nations Secretariat staff rules, and has limited delegation of authority, and some Human Resources Management matters are the responsibility of UNOG Human Resources Management Service. Details of the respective administrative responsibilities between the UNCTAD secretariat and UNOG are summarized in an MoU signed in 2006.</p> <p>We are mindful that improvements related to reducing the average selection time are acutely needed, but it should be noted that the problem is not isolated to the UNCTAD secretariat. In the 2011 Human Resources Management Scorecard assessments, none of the 26 departments or offices of the United Nations secretariat for which assessments were conducted met their target for reduced average selection time.</p>
<p><i>“While UNCTAD is subject to the United Nations Secretariat staff rules, the delegation of authority</i></p>	

for HRM between UNOG and UNCTAD is governed on a more general level by an interoffice MoU.³² UNCTAD HR is responsible for staff selection for all phases of the process (interviews, evaluations and recommendations). Furthermore, vacancy and performance management, HR administration and management of consultants fall within the responsibility of UNCTAD HR. Thus, the HRM section of UNCTAD can influence HR management in the secretariat significantly.”

- 48 **Recommendation 6:** “*The Secretary-General of UNCTAD should ensure that recruitment processes are fair and transparent, with the prevailing selection criteria being based on the competencies of the candidates, and that the overall process is completed within time targets set up for the United Nations secretariat.*”
- Many of the administrative processes observed are established by Member States at the General Assembly and are not under the discretion of the UNCTAD secretariat.
- The rules and regulations governing staff selection are determined and approved by the Secretary-General of the United Nations and the General Assembly; therefore, this recommendation should be directed accordingly.
- 49 **Paragraph 126:** “*The staff survey revealed that the vast majority of staff and managers do not believe that the current system of promotion in the UNCTAD secretariat is based on performance.*”
- The UNCTAD secretariat is bound by the staff selection rules and procedures applicable to the United Nations Secretariat as a whole, and abides by these. All selection processes follow the same rigorous procedure, and UNCTAD has no leeway in the application of these rules.
- In this context, it would be helpful if the Inspector could provide more details on the basis of the reported belief, so as to allow the secretariat to address it.
- It should also be noted that the United Nations Secretariat does not have a promotion system, but rather a staff selection system, where all posts are advertised and filled competitively.
- 50 **Paragraph 131:** “*Both member States and the UNCTAD secretariat pointed to the Office of Human Resources Management in New York as having a major influence on recruitment and being responsible for the current imbalance in the geographical distribution of posts. However, the Inspector would like to emphasize that, according to the applicable administrative procedures, the UNCTAD secretariat itself has the authority and the responsibility to advertise all Professional posts other than P-1 and P-2 entry-level posts and therefore enjoys the necessary delegation of authority in the area of recruitment to better comply with the targets associated to improved geographical balance.*”
- The UNCTAD secretariat is bound to the system of geographical distribution as measured by the Office of Human Resources Management at United Nations Headquarters at the level of the United Nations Secretariat, not at the level of UNCTAD.
- 51 **Paragraph 132:** “*In this context, member States mentioned that the UNCTAD secretariat does not circulate information about vacancies to the*
- All vacancies are published in the Inspira system as per applicable rules and are thus available to anyone with Internet access. Additional

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<p><i>permanent missions, as it is common practice in other Geneva-based organizations, such as the World Trade Organization. Even though delegations would be willing to inform their capitals about vacancies and raise awareness at the country level, they are currently unable to do so as they get the necessary information through hallway rumours rather than from official advertisements. The Inspector urges the UNCTAD secretariat to post on its website all vacancy announcements and to establish an mail-alert list to inform Member States about new postings in the secretariat.</i></p>	<p>circulation mechanisms would duplicate the current system.</p>
<p>52 Paragraph 135: <i>“In the Inspector’s view, the UNCTAD secretariat should engage in a more proactive approach towards achieving gender and geographical balance. The secretariat should set up a clear outreach strategy to circulate vacancy announcements to the Geneva missions through a comprehensive and regularly updated mailing list. Furthermore, a vacancy newsletter should be designed and made available to the outside public on the new UNCTAD website. In particular, these initiatives would help to increase the number of qualified applicants from developing countries and the number of female applicants. The Inspector reminds that, according to Article 101(3) of the Charter of the United Nations “The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity. Due regard shall be paid to the importance of recruiting the staff on as wide a geographical basis as possible”. He therefore warns about actual instances in which paramount consideration of these highest standards for recruitment has been neglected for the sake of alleged action to improve the geographical or gender balance.”</i></p>	<p>The UNCTAD secretariat wishes to note that we are one of the few organizations to have established the role of Focal Point for Women and alternate, whose functions include (a) advice to the Secretary-General on gender matters; (b) counselling and assistance to female colleagues; (c) monitoring progress towards gender targets and (d) participation in the recruitment and promotion processes. The focal point actively participates in an advisory capacity in the selection process and aims to contribute towards achieving gender balance.</p>
<p>53 Paragraph 140: <i>“For a technical organization such as UNCTAD, it is surprising to see that 28 per cent of the consultancy contracts belong to the OSG and the former DoM (see table 6 below). The main providers of substantive research and technical cooperation being the other divisions, further transparency on what are these contracts used would certainly be welcomed by UNCTAD governing bodies. Furthermore, the geographical distribution concerning the nationality of consultants raises concern as one particular group of countries, group B, is the main source of consultants for the</i></p>	<p>The Office of the Secretary-General (Executive Direction and Management) coordinates the use of external evaluations, which – by definition – require the recruitment of external evaluation professionals for such assignments. In addition, a number of consultancies may be explained by the fact that several technical services and special units report directly to the Office of the Secretary-General. It should also be noted that the data in table 4, on which this assessment is based, are incorrect. A revised table was made available to the Inspector, but was not taken into account.</p>

organization (see figure 5 below). **The Inspector is of the view that, while keeping professional expertise as the main criteria for selecting consultants, more active consideration should be given to geographical balance as well.**"

54 **Table 4**

The data in table 4 are factually incorrect. The UNCTAD secretariat provided a revised table to JIU, which was not taken into account.

55 **Paragraph 148:** *"In the Inspector's view, the decline in extra-budgetary contributions to UNCTAD trust funds cannot be attributed to the current financial crisis alone. It also reflects the decreasing interest of donor countries, as was repeatedly indicated by most donors' representatives during the interviews. Their concerns were mostly related to poor management practices and lack of transparency as to the use of their contributions which has led progressively to lower interest by some of the traditional donors to the organization, with the exception of some highly appreciated TC programmes such as DMFAS. In the midst of the current financial crisis and the competition for the same pool of resources with other organizations, the UNCTAD secretariat has to face the challenge of demonstrating its comparative advantages by designing attractive, well-packaged projects for consideration of the donor community. The UNCTAD secretariat should strengthen its communication strategy with member States and partners, organize news conferences and issue timely press releases to disseminate the information concerning their success stories and achievements."*

The report makes passing reference to "poor management" and "lack of transparency". The secretariat would be grateful if the Inspector could substantiate these claims, so as to allow the secretariat to take remedial measures.

In 2011, the extrabudgetary contributions to UNCTAD trust funds reached an all-time peak of \$44.37 million, reflecting an increase in extrabudgetary contributions rather than a "decline".

Concrete suggestions regarding the strengthening of the communications strategy with member States would be welcome. Press conferences are not always the most effective approach to disseminating information about success stories and attracting the attention of potential donors. To this effect, member States had requested UNCTAD to develop a web-based technical cooperation portal to provide transparent and up-to-date information on projects and their implementation. The portal was launched in September 2010. In addition, the new UNCTAD website is a further tool to highlight concrete achievements.

56 **Paragraph 152:** *"The Inspector believes that a well-defined fund-raising strategy with clear objectives should be established for the UNCTAD secretariat within the scope of a RBM framework.⁴⁸ In this exercise, the UNCTAD secretariat should show and communicate its expertise and the value added of capacity-building in trade-related issues for all, developing and developed countries and the private sector. The responsibility for fund-raising and the corresponding accountability should be clearly established and linked to the corporate strategy. In this context, a fund-raising unit could be set up and located under the overall responsibility of the DSG, interacting closely with the TC service in order to coordinate the organization's overall strategy with clearly identified goals and priorities, be they thematic or country/region-specific. This will be further developed in the following section of this review*

The creation of a fundraising unit in the Office of the Secretary-General (outside TCS) not only has resource implications, but could create duplication and fragmentation with the proposal under recommendation 8.

concerning the TCS.”

- 57 **Recommendation 8:** *“The Secretary-General of UNCTAD should take action to upgrade and strengthen the Technical Cooperation Service, transforming it into a fully-fledged division which is instrumental in coordinating and providing support to other substantive divisions in matching needs and resources to deliver technical assistance to beneficiary countries, leading the definition and implementation of a corporate fund-raising strategy for UNCTAD, and coordination partnerships for development.”*
- The secretariat wishes to note that additional resources would need to be approved by the General Assembly; therefore, this recommendation should be addressed accordingly. Moreover, we consider there would be no value added from this recommendation, as technical cooperation activities are undertaken by UNCTAD divisions and not by TCS itself, which has a coordinating role.
- 58 **Recommendation 9:** *“Beside the current earmarked and proposed cluster trust funds, the Secretary-General of UNCTAD, in consultation with the Trade and Development Board, should seek authorization from the General Assembly to establish a non-earmarked general trust fund to support UNCTAD substantive operations, in particular its research and analysis work and technical-cooperation activities.”*
- The secretariat welcomes this recommendation and notes that it has suggested the establishment of an unearmarked general trust fund to member States on several occasions, in particular during the negotiations of the Accra Accord in 2008, and more recently at a session of the Working Party in 2011. The proposals were not approved by member States.
- 59 **Paragraph 164:** *“Historically, the substantive divisions of UNCTAD have worked quite independently from one another, without an effective, established interdivisional coordination mechanism or a steering group. It appears that ad hoc inter-divisional meetings at a high level (Directors with OSG) are set up during the preparations for the quadrennial conferences, but there is no permanent inter-divisional steering committee with clear TOR and agenda which meets and report regularly and follow-up its decisions.”*
- The secretariat wishes to clarify that the Accra Accord Steering Group, chaired by the Secretary-General of UNCTAD, met regularly to guide the implementation of the Accra Accord and discuss other issues, and were in practice regular meetings of directors and senior management.
- 60 **Paragraph 166:** *“Another major obstacle that was revealed in the interviews was the lack of top management commitment to initiate coordination and improve communication between the divisions. A recent attempt to set up an interdivisional study group was discontinued after meeting only once, as no further efforts were made from top management to institutionalize it.”*
- Particularly in times of limited resources, the secretariat has in fact been adopting an interdivisional approach towards delivery of its work. In the last six years, several interdivisional task forces were established to encourage closer collaboration among divisions, often resulting in joint work on reports. For example, interdivisional task forces were set up to address emerging issues such as food security, energy, tourism, creative industry and South–South cooperation, to name but a few.
- 61 **Paragraph 171:** *“These evaluations and audits have covered practically all areas of UNCTAD, from technical cooperation to human resources, as well as its administrative and financial management. Every year, the regular session of TDB selects a particular programme for evaluation for the next annual session. The findings of these evaluations and their*
- UNCTAD’s evaluation policy, adopted in December 2011, states: “Evaluation should not be confused with auditing, investigation, or staff performance assessment. Though these different activities, along with evaluation, are all part of management’s quality assurance mechanism, their scopes and objectives of assessment remain different. Evaluation is a tool that serves both

Observations of the Inspector	Comments by the UNCTAD secretariat
<p><i>recommendations pave the way to identifying weaknesses and the potential for improvement, and are being followed-up regarding progress made on their implementation in subsequent years.”</i></p>	<p>management, and programme and project staff by enabling independent and accurate analysis of policies and activities in achieving their expected results, in a perspective of organizational learning and improvement rather than sanctioning, as it can be sometimes perceived”.</p>
<p>62 Paragraph 172: <i>“In theory, the UNCTAD secretariat has received enough recommendations for action on all relevant areas of its work from member States, external evaluations and audits. JIU requested during the course of the review to be provided with the updated status of implementation concerning the most recent evaluations of OIOS and the Board of Auditors. The response from UNCTAD secretariat was that the follow-up on implementation of these recommendations is prepared manually and that it would be time-consuming and complex to respond to the JIU request, which reveals in itself a clear weakness in the management processes. In this respect, the Inspector is of the view that it would be advisable to keep the corresponding data in electronic files for reporting purposes.”</i></p>	<p>The secretariat wishes to clarify that the creation of an online or automated system to track and report previous comments, outstanding recommendations and their status has been recognized as the responsibility of oversight bodies, and we have been cooperating with JIU and OIOS, which have both been working on creating their respective systems.</p>
<p>63 Recommendation 11: “The Conference should direct the Secretary-General of UNCTAD to ensure the sufficient allocation of resources for strengthening an independent and efficient evaluation capacity within the UNCTAD secretariat.”</p>	<p>UNCTAD has allocated 0.7 per cent of its budget to monitoring and evaluation activities. This falls slightly short of current evaluation resource benchmarks calling for allocation of at least 1 per cent of the regular budget to these functions. However, it should be noted that OIOS, on whose report this recommendation is based, has considered that by establishing a dedicated evaluation and monitoring unit in 2011, UNCTAD has taken sufficient steps in light of the present budgetary situation, and has therefore considered this recommendation as implemented. Pending the availability of resources, the secretariat stands ready to look into ways of strengthening our evaluation function.</p>
<p>64 Paragraphs 177 and 178: <i>“The Secretary-General of the United Nations always recalls that the staff is the main asset of the Organization. Indeed, in the context of the United Nations reform many initiatives have been launched within the Secretariat to revamp the working environment so as to create an enabling atmosphere for effective and efficient delivery of duties. Some entities within the United Nations seem to need more urgently than others an in-depth renovation of their management strategies to ignite the necessary motivation among its staff to promote enhanced coordination and better collaboration among the different departments of</i></p>	<p>The UNCTAD secretariat has requested that JIU share the full findings of its survey, as it already serves as an external assessment on which we may be able to draw upon, to address areas of concern.</p>

the organization.”

“The results of the JIU staff survey show that the UNCTAD secretariat would greatly benefit from undertaking an objective, unbiased and comprehensive self-evaluation to internally take stock of its strengths and weaknesses and build on its findings. Such an internal reform needs to be dynamically led and promoted by top management, under the leadership of the Secretary-General of UNCTAD and with the assistance of the DSG.”

- 65 **Paragraphs 179 and 180:** *“Poor communication and lack of transparency about the internal functioning of the organization can be at the root of an organizational ‘malaise’ that is consistently expressed throughout the responses to the staff-at-large survey⁵³ undertaken by JIU in the course of this review.”*

“The overall picture resulting from the analysis of the responses conveys a message of hope and despair; there emanates a strong sense of belonging to the organization and belief in its core mandate, coupled with a deep loss of trust and confidence in the functioning of the secretariat in terms of leadership, management transparency, communication and fairness of treatment for the career development of staff. It also appears that there is a disconnect at some level between middle-management and top management, as many of the respondents clarified that they were reasonably satisfied with their direct environment, while less satisfied with the functioning of top management in the organization. Indeed, 56 per cent of the respondents indicated to have no confidence in UNCTAD management.”

- 66 **Paragraph 181:** *“Other striking results from the survey indicated that 61 per cent of respondents considered that UNCTAD top management was not communicating adequately with the rest of the organization; 62 per cent believed that the organizational structure of the UNCTAD secretariat was not functioning effectively. A strong result regarding the perceived lack of communication is reflected by 70 per cent of the respondents considering that there were no opportunities for open and regular communication with UNCTAD top management. Fifty-four (54) per cent of respondents disagree with the statement about top managers fostering an organizational culture of integrity. This is even more disappointing in the light of the Integrity Survey undertaken by the UNCTAD secretariat in 2005 and followed-up by a*

The UNCTAD secretariat requested further information and/or clarification regarding some results of the survey (i.e. “organizational ‘malaise’”, as well as “loss of trust and confidence into the functioning of the secretariat in terms of leadership, management transparency and fairness of treatment”).

We also requested to be provided with the detailed professional evaluation of the responses and the rationale for concluding that there is lack of confidence in UNCTAD management. It would be helpful to know how these results compare with similar staff surveys carried out in other United Nations organizations.

While we are very concerned by the reported results of the survey, it is hard to respond and take remedial measures, as we do not have the detailed professional evaluation of the responses, taking into account the overall methodology, set of questions, the sample size and so forth. Such an evaluation would be invaluable to understand how best to address the concerns raised.

consistent report from an internal staff task-force resulting into a series of recommendations to improve integrity and its perception and implementation in the organization. It appears as if the necessary measures have not yet been put in place for a successful achievement.”

- 67 **Paragraph 186:** *“Clearly, UNCTAD is an organization with a golden opportunity of addressing its mandate and all the opportunities to better contribute to face the current economic challenges that characterize the global economic process of change in the world. To make good use and honour the mandate given by the General Assembly and its subsidiary governing bodies to UNCTAD, the Secretary-General of UNCTAD and his management team will have to undertake courageous reforms within the realm of the ongoing United Nations reform. Such a change will have to be participatory, involving the governing bodies and the secretariat in a constructive dialogue. However, the Inspector expects that efforts undertaken will not result in a mere “new report” that will remain as a wish-list for action, but that indeed become a concrete and timely action plan that will be put into place thanks to this collective effort. This would result in major new effectiveness, impact and visibility for the role that UNCTAD can effectively play in assisting its Members.”*

The relevance of UNCTAD’s work has been consistently recognized in external evaluations of projects and programmes. For example, in reviewing the implementation of the Accra Accord in 2010, UNCTAD member States “commended” the secretariat “for its rapid response to the global financial and economic crisis, as well as other important global crises such as the food crisis”. Mandate permitting, we intend to continue such efforts to deliver on our mandates faithfully and effectively.

- 68 **Annex III: Overview of actions to be taken by participating organizations on the recommendations of the Joint Inspection Unit**

We wish to make clear that any action by a department of the United Nations Secretariat entailing resource implications is subject to approval by the General Assembly. Hence, recommendations 6, 8, and 9 should be addressed to the General Assembly.