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Reports of UNDP, UNFPA and UNOPS Ethics Offices

Activities of the UNDP Ethics Office in 2018
Report of the Ethics Office

Summary

Pursuant to decision 2008/37 of the Executive Board, the UNDP Ethics Office submits the present report that covers its activities in 2018. In accordance with the Secretary-General's bulletin on United Nations system-wide application of ethics: separately administered organs and programmes (ST/SGB/2007/11), the Ethics Panel of the United Nations reviewed the report at its 110th session on 20 February 2019 (and via e-review). The report was subsequently presented to the UNDP Administrator.

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

Elements of a decision

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



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I. Introduction

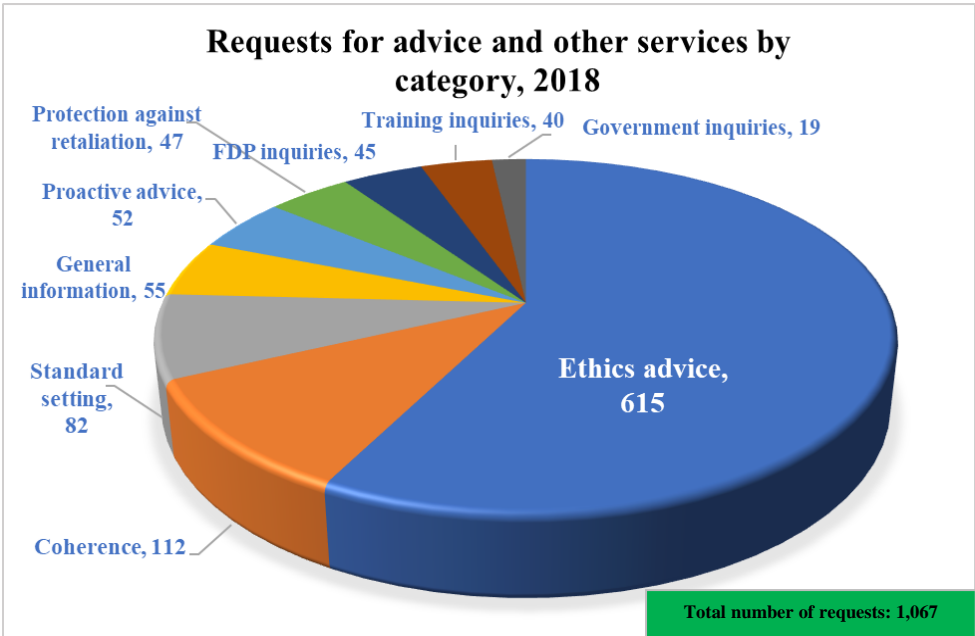
1. The present report is submitted in accordance with Executive Board decision 2008/37 and addresses the work of the UNDP Ethics Office in 2018 pursuant to its mandate under Section 1.1, Secretary General's bulletin ST/SGB/2007/11, United Nations system-wide application of ethics: separately administered organs and programmes, to "cultivate and nurture a culture of ethics, integrity and accountability, and thereby enhance the trust in and credibility of the United Nations, both internally and externally".
2. Operating on the principles of independence, impartiality and confidentiality, the Ethics Office promotes and fosters ethical conduct and decision-making on the part of the UNDP global workforce. Adherence to the highest ethical standards by all UNDP personnel is essential for ensuring the effective performance of UNDP programmes and operations, and for protecting the reputation of the organization among Member States, donors, civil society stakeholders and the wider public that UNDP serves.
3. In 2018, the Ethics Office continued its work to embed ethics into the business processes of UNDP through the robust implementation of its following mandate areas: (a) standard-setting and policy support; (b) ethics training, awareness-raising and outreach; (c) providing confidential advice and guidance to staff and management on ethics issues and ethics-related policies; (d) administering the UNDP financial disclosure programme; and (e) administering the UNDP protection against retaliation policy. In pursuit of harmonizing ethics policies and practices across the United Nations system, the Director remained a proactive ethics advocate within the Ethics Panel of the United Nations and also engaged with the Ethics Network of Multilateral Organizations.
4. The Ethics Office maintains a pragmatic approach to its ethics function, focusing on the business value of consolidating and advancing ethical practices throughout the organization. As a driver of behaviour, ethics is essential for reinforcing principled performance and protecting the integrity and effectiveness of UNDP programme delivery. In addition to supporting ethical leadership by senior UNDP leaders, the office encourages and assists all UNDP personnel to be role models of ethical behaviour, and to serve as standard-bearers for the values of the United Nations. Through its provision of practical and actionable ethics advice, the office ensures that UNDP personnel at all levels engage in informed, ethical decision-making that protects the operations and interests of UNDP.
5. As a result of the office's provision of pragmatic ethics advice and guidance and its efforts to reach as many UNDP personnel as possible through outreach and training activities, the last four reporting cycles have seen significant annual increases in requests for its services. This sustained, upward trajectory is indicative of the success of the office's ethics programme, and the continuing confidence UNDP personnel place in the office as a valued resource. Having dealt with 643 matters in 2015, 836 matters in 2016, and 995 matters in 2017, the office addressed a record 1,067 matters in 2018, representing a 66 per cent caseload increase since 2015. Figure 1 provides a breakdown of total service requests received by the office in 2018.
6. While maintaining its status as a highly responsive, trusted office within UNDP, the Ethics Office in 2018 also: (a) served as a member of the UNDP Administrator's Taskforce on the Prevention of Sexual Harassment; (b) organized and participated in trainings for over 1,500 UNDP personnel; (c) implemented a revised financial disclosure programme with enhanced focus on personnel relationships and affiliations that could impact UNDP; (d) reviewed 1,393 individual financial disclosure statements and issued conflict of interest avoidance advice to 151 filers; (e) finalized a draft UNDP

policy on gifts; and (f) reviewed multiple UNDP policies, practices, and processes to ensure incorporation of ethics considerations.

7. With its core staff consisting of a Director, Ethics Adviser and Administrative Associate, the office’s ability to remain fully responsive to all service requests, as well as proactively develop and evolve its ethics programme, has benefitted from the allocation of a United Nations Volunteer (UNV) position since 2017. To further support office staffing and delivery capacity, given the chronic understaffing of the office and its significantly increased caseload over recent reporting cycles, the office has received authorization from UNDP management to recruit a new P3 ethics professional in 2019.

8. As ethical behaviour and decision-making constitute a key element of effective organizational performance, the Ethics Office is highly encouraged by the manner in which UNDP has embraced ethics as a critical facet of how it conducts business and provides services. Leadership at the business unit, regional bureau and country office levels continues to fully support the integration of ethics into UNDP operations, and regularly seeks ethics training support and advice on managerial practices, stakeholder interactions, and programming and policy matters. Similarly, UNDP personnel continue to view the office as a invaluable source of ethics expertise, and consistently seek out the office’s guidance to ensure that their personal and professional conduct fully adheres to the highest standards of ethics and integrity.

Figure 1. Requests for advice and other services by category, 2018



II. Administrative activities

9. The Ethics Office was allocated its first UNV volunteer in 2017 to support its core staffing of a D1 Director, P5 Ethics Adviser and G6 Administrative Associate. Having joined the office in July 2017 on a one-year UNV funded contract, the individual departed in January 2018 to assume a staff position with the United Nations Secretariat. The office filled the resulting UNV vacancy in August 2018. The contract of the office’s current UNV volunteer runs until August 2019.

10. Given the unpredictability of temporary placements such as UNV assignments, the office remains committed to a more stable solution to its long-standing staffing needs.

Recognizing the importance of the Ethics Office's work and the need to ensure it has sufficient capacity to develop and deliver its innovative ethics programme, in 2018 UNDP leadership approved funding for a new P3 Ethics Officer position. Recruitment for the P3 post will take place in 2019.

11. The total office budget remained static from 2017 to 2018. In 2019, recognizing the overall increased demand for the office's services, management agreed to a \$40,000 increase in its overall operating budget, in addition to the new P3 post.

12. During the reporting period, the Ethics Office implemented a new online case database, with the support of the UNDP Office of Information Management and Technology. Based on a programme developed by the United Nations Ethics Office, the new database offers greater efficiencies in cataloguing and accessing case information.

13. While it has continued to provide comprehensive, impactful ethics services, despite staffing and budget constraints, the office welcomes and appreciates the efforts of UNDP leadership and UNV in supporting its staffing needs. Their assistance protects the long-term sustainability of the office, and greatly contributes to its mission to support corporate excellence and foster a culture of integrity and accountability.

III. Mandated activities

14. Continuing its work as an essential advocate for ethical standards and practices across UNDP, the Ethics Office again achieved significant results in 2018 in its areas of responsibility.

A. Standard-setting and policy support

15. In February 2018, the UNDP Administrator established a senior-level Taskforce on the Prevention of Sexual Harassment, led by his Executive Office. The objective of the taskforce is to drive change across UNDP in preventing and responding to sexual harassment. This includes ensuring that UNDP has the most robust policies and procedures to address such allegations, and that they are effectively implemented. Initially composed of representatives from, inter alia, the Ethics Office, the Office of Audit and Investigations (OAI), the Legal Office, the Office of Human Resource (OHR), the Office of the Ombudsman and the Staff Council, the taskforce has been further expanded upon the recommendation of the Ethics Office to include field-based staff.

16. As a taskforce member, the Director of the Ethics Office participated in the revision of the UNDP policy on harassment, sexual harassment, discrimination and abuse of authority, addressing the handling of sexual and other harassment complaints, to make the policy more victim-centred. The taskforce also secured and trained an external provider to run a 24 hour independent, multilingual helpline, retained a third party counselling service for victims, created a vigorous awareness and communications campaign, and developed terms of reference for trusted focal points at field locations. As part of its awareness-raising efforts, taskforce members, including the Ethics Office, have provided live web-based and in-person trainings to UNDP locations around the globe, explaining applicable policies, procedures and services. During these trainings, the office has presented the UNDP protection against retaliation policy as it applies to sexual harassment complaints and investigations.

17. In late 2018, the taskforce expanded its focus to include sexual exploitation and abuse. As UNDP requires country offices and business units to develop annual action plans for both the prevention of sexual harassment and sexual exploitation and abuse, the taskforce's additional focus on sexual exploitation and abuse will ensure greater organizational coordination and strategic planning within UNDP and the wider United Nations system.

18. During the reporting period, the Ethics Office continued to provide UNDP policy development input through the Director's participation in the Organizational Performance Group (OPG) and Policy Review Network. The office also engaged in policy reviews upon the request of management, and through proactive engagement with business units. UNDP policies and guidelines assessed by the office so as to incorporate ethics considerations and other standards necessary for effective business practices included: the UNDP policy on identity and access management; the concept paper on UNDP participation in loans and guarantees; the UNDP international financial institutions partnerships strategy; the revised decentralized evaluation guidelines; the policy on change management and procedures related to human resources alignment in the context of change management; the UNDP anti-fraud policy; the revised enterprise risk management policy; the eRecruit/Inspira business case; the quality assurance standards policy for health procurement products; the UNDP delegation of authority; the information and communications roadmap to support the 2018-2019 digital strategy; the UNDP gender parity strategy; the reporting of sexual harassment in the workplace; and the revised UNDP policy on harassment, sexual harassment, abuse of authority and discrimination.

19. The office also contributed to the development of the UNDP 2018 global staff survey, which measures organizational performance from the perspective of UNDP personnel. Working with the Office for Human Resources (OHR), the office revised and improved ethics-related questions developed to gauge staff perceptions of ethics and integrity within UNDP. The office will use data gathered from the 2018 global staff survey for country-specific ethics trainings, and to enable targeted interventions at the bureau or country office level in the event survey results raise ethics concerns.

20. As previously reported, the Ethics Office drafted a proposed UNDP policy on gifts, honours, decoration, favours, hospitality or remuneration from governmental and non-governmental sources, which provides detailed guidance to UNDP personnel on how to manage situations where a gift or other item has been received or offered. UNDP management has committed to presenting the draft policy to the OPG for review and approval in early 2019.

21. In addition to providing policy support within UNDP, in 2018 the Ethics Office continued to act as a sounding board and a source of ethics expertise for other United Nations system organizations. Of note, the office provided information and guidance on Ethics Director terms of reference, reporting lines, annual reports and Executive Board decisions to the Administrative Law Section (ALS) of the United Nations Secretariat's Office of Human Resources Management (OHRM). The office further briefed the United Nations Department of Economic and Social Affairs (DESA) on best practices in conflict of interest avoidance, financial disclosure and anti-corruption measures (including UNDP practices), and held discussions with the Executive Director of the United Nations Office of Administration of Justice on the issue of protecting witnesses appearing before United Nations tribunals. Lastly, the office met with the United Nations Joint Inspection Unit (JIU) as part of the JIU review of audit and oversight committees in the United Nations system. It also met with the JIU team in advance of the release of its review of whistle-blower policies and practices in United Nations system organizations (JIU/REP/2018/4), and contributed to the UNDP progress report on recommendations in the JIU review of mechanisms and policies addressing conflicts of interest in the United Nations system (JIU/REP/2017/9).

22. In accordance with decision 2010/17 of the Executive Board, the Ethics Office continued to provide conflicts of interest vetting for candidates recommended for key UNDP oversight positions.

B. Training, outreach and awareness-raising

23. Training and awareness-raising are fundamental components of the Ethics Office's mandate. When educating UNDP personnel on standards of conduct and reinforcing the

organization's ethical values, the office emphasizes the pragmatic and 'business value' of ethics by explaining that ethical decision-making is vital for continuing and effective UNDP operation. As UNDP works in high-risk environments and consists of a diverse, multicultural workforce, adherence by all personnel to a unified set of ethical standards and practices protects UNDP projects, programmes and reputation. By ensuring that their daily actions and decisions are guided by UNDP values, and the principles and objectives of the United Nations Charter, UNDP personnel strengthen institutional integrity and accountability.

24. UNDP's ethical culture is further enhanced by its leadership's visible adherence to ethical values and behaviour. Separate ethical leadership training by the Ethics Office reinforces 'tone at the top' and 'mood in the middle' (mid-level managers who handle daily operations and are particularly well placed to convey and reinforce ethical behaviour and integrity), reminding those with managerial responsibilities that they must serve as workplace examples and exhibit role-model behaviour.

Online course and related modules

25. A central element of the Ethics Office's training programme is its online course, ethics and integrity at UNDP, first introduced in 2015. Mandatory for all UNDP personnel, including service contract holders, the course is available in English, French and Spanish and uses United Nations-encountered situations to facilitate ethical decision-making and a common understanding of relevant policies and standards. As of 31 December 2018, 12,309 UNDP personnel have completed the course. This number represents a significant increase on the 8,733 UNDP personnel who had completed the course as of the end of 2017.

26. Mandatory ethics training that covers an organization's entire workforce is a core requirement of any robust, effective ethics programme. Comprehensive staff awareness of ethical expectations and requirements is essential to establish and sustain a unified ethical culture. Noting that UNDP online courses can only be accessed by UNDP personnel with an official UNDP email address and that some UNDP service contract holders do not receive UNDP email addresses, UNDP management is taking appropriate action to address this issue in early 2019 so that all UNDP personnel, regardless of contractual modality, are able to access and complete all mandatory UNDP online courses, including Ethics and Integrity at UNDP. The office strongly supports this course of action.

27. In 2019, management has advised that it will require heads of office to annually certify that all personnel in their units have completed the mandatory ethics and sexual harassment training courses.

28. Through the UNDP online learning platform, the Ethics Office also offers three voluntary ethics mini-courses on avoiding conflicts of interest, the financial disclosure programme, and protection against retaliation, all available in English, French and Spanish. As of end of 2018, there have been 1,544 course completions. The office continues to promote these courses in its ethics training and outreach work.

Face-to-face workshop and webinars

29. In addition to its online training modules, in 2018 the Ethics Office delivered ethics training to a record 1,570 UNDP personnel. This increase is partly attributable to the office's regular participation in Sexual Harassment Taskforce trainings delivered across the organization. In supporting the development and roll-out of the UNDP enhanced organizational response to sexual harassment, the office provided briefings on whistle-blower protection, and on the office's role as a source of confidential ethics advice and consultation.

30. As face-to-face ethics trainings are essential to enhance staff awareness of ethics requirements, and to develop assessments of field-based ethics risks and concerns,

during the reporting period the office arranged live ethics workshops and ethical leadership sessions for UNDP personnel located in Albania, Ecuador, Gabon, the Islamic Republic of Iran, Jamaica, Kosovo, Namibia, Serbia, Tajikistan, Thailand, the Bangkok Regional Hub, the Istanbul Regional Hub, as well as an ethics webinars for the Regional Bureau for Asia Pacific and the UNDP Programme of Assistance to the Palestinian People, including UNDP offices in Jerusalem, Ramallah and Gaza City. Trainings were provided both in-person and via Skype at all hours in order to reduce training costs. Upon request, the office also arranged trainings on political activities and applicable standards of conduct for country offices in Costa Rica, the Democratic Republic of Congo and Mexico in light of national elections held at those duty stations. The office has shared its political activities' presentation with other United Nations system ethics offices, and anticipates conducting similar briefings in 2019.

31. The Ethics Office further conducted ethics workshops for incoming junior professional officers, and provided ethics briefings at headquarters for the UNDP Independent Evaluation Office, senior management of the United Nations Capital Development Fund, representatives of the United Kingdom Department for International Development and the German Supreme Audit Institution as part of their familiarization with UNDP, as they assume their new role as United Nations Board of Auditors external auditors.

32. As in prior years, the office continued to customize its ethics workshop and ethics leadership training materials to the needs of individual country offices by focusing, inter alia, on issues identified by in-country investigations and audits, and on country-level global staff survey results. This focus on the pragmatic application of ethics to local realities and office-specific concerns has resulted in more engaged audiences and leadership teams, and contributed to the increase in ethics advice requests from staff and management across UNDP office locations over the last four year period.

Senior management briefings

33. Underscoring its standing as an integral business partner, senior leadership and heads of business units regularly approach the office for advice and guidance. Given the importance of ethical leadership for effective business practices and ethical role-modelling, the office also actively engages leadership on ethical decision-making and business management.

34. During 2018, the Director was invited by the Regional Bureau for Europe and the Commonwealth of Independent States and the Regional Bureau for Asia and the Pacific to speak at regional management meetings for senior country office leadership on ethical leadership, ethical values and sexual harassment. The office's participation at regional management meetings remains essential for reinforcing the critical importance and practical value of ethics in all aspects of UNDP operations.

35. The office further provided ethics briefings to new Executive Board members and new resident coordinators/resident representatives, as well as personal ethics inductions to newly appointed senior leaders at the D1 level and above. Given the delinking of the resident coordinator and resident representative roles, effective 1 January 2019, from 2019 onwards ethics training for resident coordinator offices will fall under the authority of the United Nations Secretariat.

Awareness-raising and communication activities

36. The Ethics Office continued to pursue a proactive ethics awareness campaign with the use of email, social media and accessible ethics information materials. Via consistent messaging, the office reinforces that a strong ethical culture promotes staff engagement, trust and integrity, and raises organizational performance and reputation. Relevant all-personnel communications in 2018 included the office's annual holiday guidance bulletin, addressing gifts and personal conduct.

37. Driving ethics awareness through creative use of social media platforms, the office maintained its strong Twitter presence, regularly posting ethics-related commentary from public and private sector sources. The office continued to utilize Yammer, an internal UNDP social network, to circulate ethics articles, surveys and opinion pieces to emphasize the importance of keeping ethics considerations at the heart of UNDP business practices and operations. Since the launch of the office's Twitter and Yammer presence, the Director has issued 400 tweets and a similar number of Yammer posts.

38. Embracing the digital age, the Ethics Office had planned in 2018 to develop its own 'ethics app' for smartphones to provide ease of access to ethics resources. On being informed that OHR had initiated the development of an organizational app for UNDP personnel, the office collaborated with OHR on the inclusion of an ethics section with applicable policies and information. Launched in January 2019, the production of the app is an example of the office's excellent cooperation with other UNDP business units in incorporating ethics into the work of the organization.

39. In 2017, the office released first UNDP code of ethics, consolidating all policies and procedures impacting the organization's ethical culture. The code remains a model for other United Nations organizations and elevates the UNDP ethics programme. As a further example of the successful integration of ethics across the organization, the UNDP policy against fraud and other corrupt practices, updated in 2018, now explicitly references the code as an applicable standards of conduct resource. Having initiated a review of the code in 2018, involving the updating of hyperlinks and revision of language so that it fully reflects all recent changes to relevant UNDP policies, a second edition of the code will be released in 2019.

40. Similarly, a second edition of the office's 2017 companion publication, *Where to Go When: A Resource Guide for UNDP Personnel* will be updated and released in 2019. Available in English, French and Spanish, the code of ethics and *Where to Go When* continue to be used as core elements of office trainings, briefings and other outreach work. Both publications remain highly regarded by management and staff.

41. In 2018, the office also revised and reissued its four informational brochures: *The Ethics Office*, *Preventing Conflicts of Interest*, *Protection Against Retaliation*, and *Financial Disclosure*. Interactive and available online, all office publications can be printed on-demand to avoid large-scale publishing and distribution costs.

42. To remind personnel of the need to incorporate ethical thinking and decision-making into their daily work, the office provides small ethics promotional items at all ethics trainings. These items, which include USB cards and note pads, contain Ethics Office contact information and ethics messaging. Considering both the continuing popularity of these items and the need to remain innovative, in 2018 the office further developed new promotional products, including branded RFID wallets, which will be introduced in 2019.

43. During the reporting period, the office made substantive updates to both its intranet site and its *Ethics@UNDP* page on the UNDP public website. These sites contain links to the code of ethics and all ethics policies and informational materials. In 2018, the office's intranet site had 12,983 page views by UNDP personnel, with the public site experiencing 2,633 visits. As the numbers for 2017 were 9,436 and 1,211, respectively, 2018 saw a 47 per cent increase in total online ethics information viewing.

C. Confidential advice and guidance

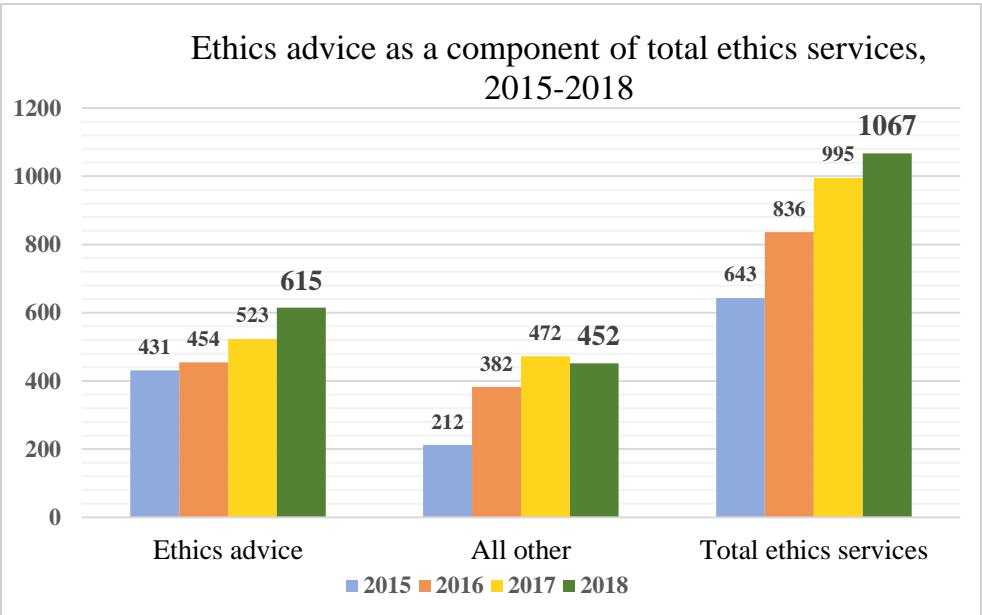
44. Adherence by all personnel to the highest ethical standards is essential to protect the reputation of UNDP and to ensure the effectiveness of its business operations. While pursuing its development objectives, UNDP must be seen by Member States, beneficiaries and other stakeholders to uphold an ethical culture of respect, integrity and accountability.

45. The Ethics Office's provision of confidential ethics advice is a critical element in fostering and reinforcing UNDP ethical culture. By providing pragmatic guidance to staff and management on standards of conduct and appropriate courses of action, the office assists

personnel to make informed decisions that advance the values and interests of UNDP. The provision of ethics advice further enables personnel to better identify and resolve potential conflicts of interest, as well as other complex or sensitive workplace issues, before they develop into serious problems. By acting as a trusted, consultative resource for UNDP staff and management, the office serves a key role in managing operational and reputational risk for the organization.

46. As shown in figure 2, the office has experienced a dramatic increase in the number of service requests over the last four years. In 2018, the office set yet another record with 1,067 requests for services, of which 615 were for ethics advice. Regarding the significant upward trajectory of the office’s annual caseload over the last four reporting cycles, in 2015 the office received 643 requests for services, with 431 ethics advice requests. The 2018 numbers constitute a 66 per cent increase in total ethics service matters since 2015, and a 43 per cent increase in received advice requests.

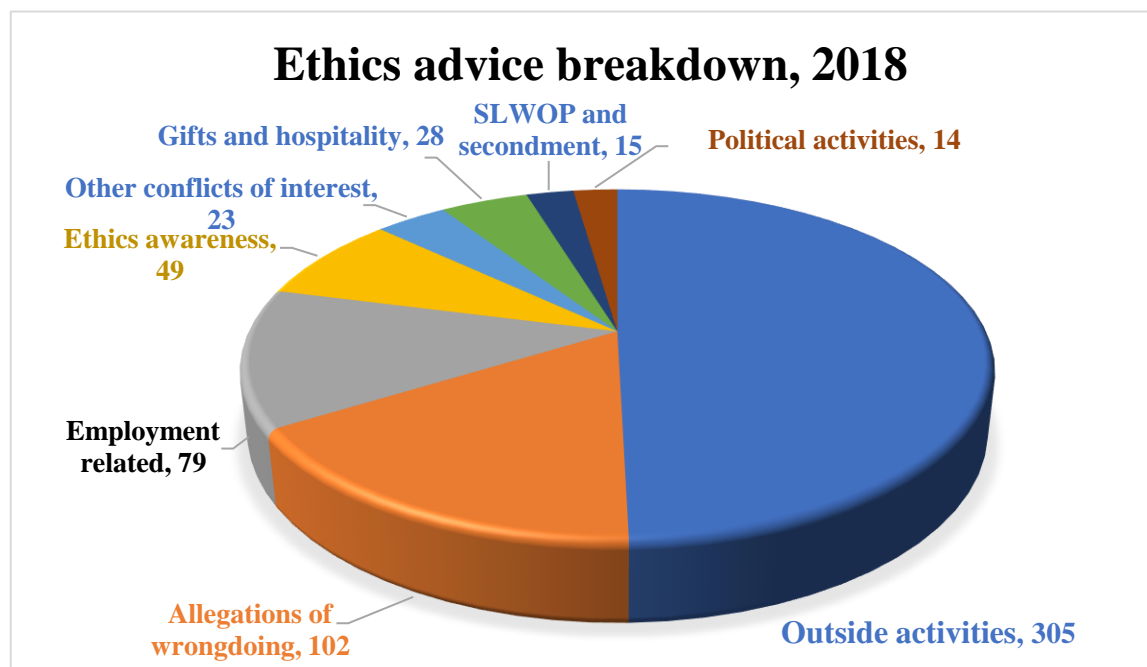
Figure 2. Ethics advice as a component of total services, 2015-2018



47. The Ethics Office considers that its UNV placement and pending P3 post recruitment will ensure that it continues to provide quality and timely ethics advice, regardless of increasing service request numbers, and enable it to continue its proactive development of innovative ethics initiatives.

48. In 2018, 58 per cent of all requests for Ethics Office services concerned ethics advice and guidance. As depicted in figure 3, the office provided advice on a broad range of ethics matters, including: acceptance of awards, gifts, and honours; involvement in political activities; applicable procedures for the internal reporting of misconduct; conflicts of interest; and other ethics-related employment concerns. As in prior years, the highest number of received advice matters concerned requests to engage in outside activities. Such requests are vetted by the office to ensure the relevant activity does not conflict with a staff member’s obligations of independence, impartiality and loyalty to the organization, nor reflect adversely on UNDP. The consistently high number of outside activity requests reflects significant awareness on the part of UNDP personnel to seek and obtain prior approval for outside interests and affiliations.

Figure 3. Ethics advice breakdown, 2018



* SLWOP: special leave without pay.

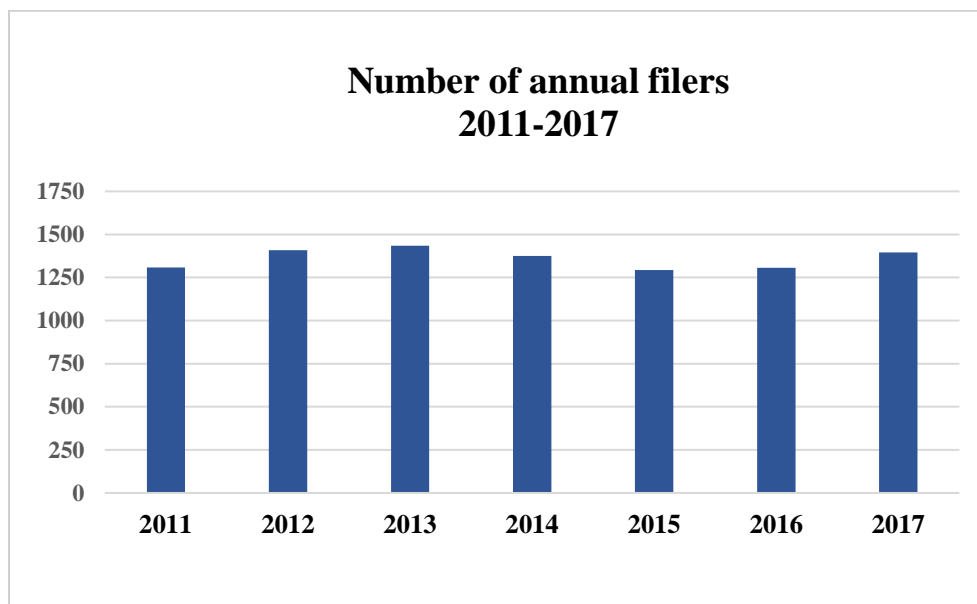
49. The sustained annual increases in service requests demonstrate the positive impact of the office's proactive training and awareness-raising activities, including organization-wide ethics messaging. The year-on-year growth in demand further reflects the trust and value that staff and management place in the office as a confidential mechanism where they can raise their ethics-related concerns and receive pragmatic advice. Recognizing the practical value and real-world applicability of the office's guidance, personnel regularly approach the office before actions are taken in order to avoid detrimental or unanticipated consequences. In providing such a function, the office protects the integrity and credibility of UNDP.

D. Financial disclosure programme for the 2017 transaction year (filed in 2018)

50. The Ethics Office administers the UNDP annual financial disclosure programme, reviews submitted filer information, verifies statements, and issues advice and guidance to manage and mitigate any actual or potential conflicts of interest.

51. The financial disclosure programme is designed for the identification, management and elimination of conflicts of interest between a filer's personal holdings and interests, and their official duties and obligations. The programme, which applies to all staff at the D1 level and above, and those whose principal duties involve procurement and investment, seeks to ensure that private interests do not interfere with official decision-making, thus promoting transparency and public trust in UNDP. A selected subset of filers are also required to participate in a separate verification process to authenticate the accuracy and completeness of their statements.

52. In 2018, the office conducted its twelfth annual financial disclosure exercise. Covering the 2017 transaction year, 1,394 filers participated in the programme. As shown in figure 4, the number of filers has remained consistent over recent filing cycles.

Figure 4. Number of financial disclosure policy annual filers from 2011 to 2017

53. While some United Nations system ethics offices outsource the review of filer submissions to external vendors, the Ethics Office has maintained its practice of directly reviewing all 1,394 financial disclosure statements. This results in significant cost savings for UNDP, and ensures full office control of financial disclosure programme review and verification processes. Given the office's comprehensive understanding of conflicts of interest risks specific to United Nations service, the office believes such control significantly enhances the quality of statement reviews and issued financial disclosure programme advice. As in previous filing exercises, the programme achieved a one hundred per cent compliance rate.

54. Concerning process, the office conducted real-time reviews of financial disclosure statements upon their submission, allowing for immediate filer follow-up and enabling the provision of prompt guidance to filers on required actions to mitigate potential conflicts of interest. Figures 5 and 6 show the percentage of financial disclosure programme filers by rank and function for the 2017 transaction year. As with prior filing cycles, middle management and those with procurement functions constitute the largest percentage of filers.

Figure 5. UNDP financial disclosure policy filers by rank, 2017

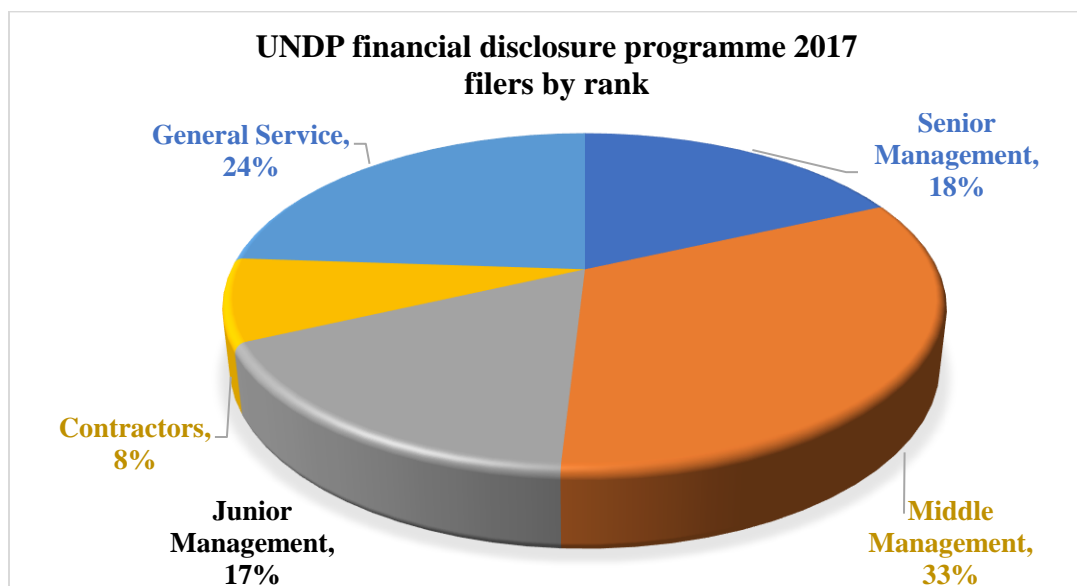
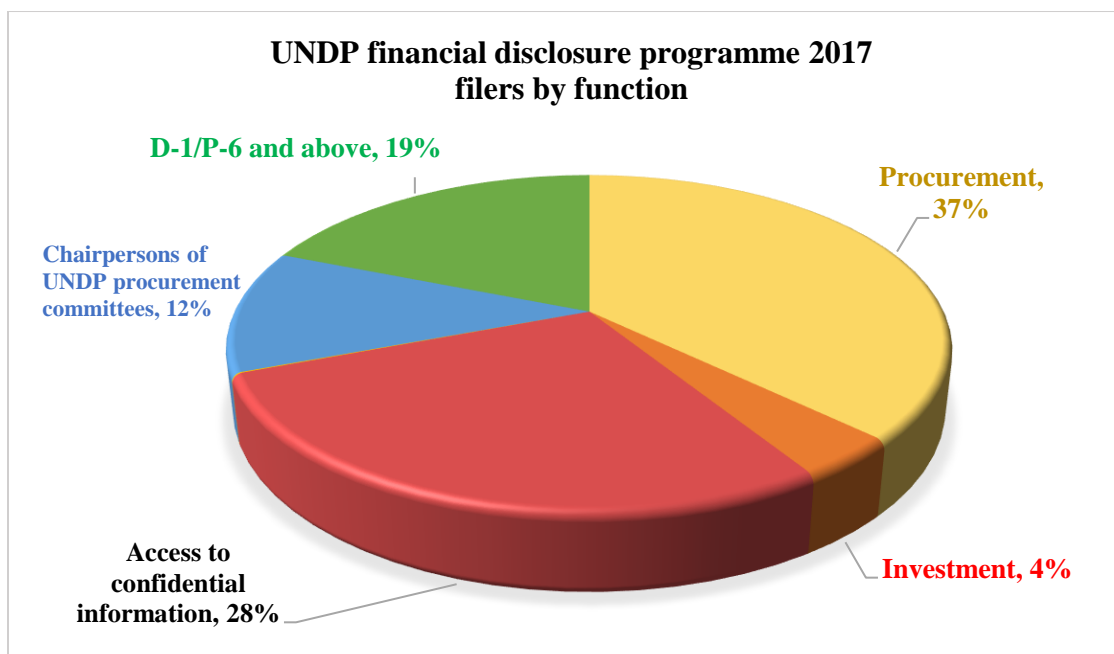


Figure 6. UNDP financial disclosure filers by function, 2017



Review of data and provision of conflict of interest advice

55. The review of financial disclosure programme statements involves a three step approach. First, statements are vetted to ensure information is complete. In the case of incomplete or unclear information, follow-up is conducted with the filer. Second, relevant holdings such as stocks are compared against an internal database of UNDP vendors. Third, declared outside interests and activities are assessed against staff obligations and restrictions as per applicable staff rules and policies. Taking into consideration the duty station, position and work functions of the relevant filer, all reviews are conducted to identify actual or potential conflicts of interest and, where conflicts are detected, provide remedial or proactive advice.

56. As per applicable staff regulations, participating filers are required to report all financial assets and holdings with a value of \$10,000 and above for themselves, their spouses and their dependent children. To strengthen the financial disclosure programme as a more robust and comprehensive conflicts of interest identification mechanism, in 2018 the Ethics Office incorporated additional disclosure questions targeting affiliation and relationships that could potentially affect, or be perceived to influence, official decision-making. Affiliation and financial interest questions were also expanded beyond spouses and dependent children to include, inter alia, domestic partners, siblings and parents.

57. Following these revisions and the disclosure of enhanced filer information, the office provided advice to nine filers in cases where an apparent conflict of interest was detected. The majority of these cases involved filers engagement in unauthorized outside activities, for which each filer was informed of her/his obligation to seek UNDP approval. The office subsequently vetted each request and made a recommendation to management on whether the request should or should not be approved.

58. In 143 cases, proactive advice was provided to manage or mitigate potential conflicts of interest so that actual conflicts of interest could be avoided. The majority of these cases involved UNDP personnel with family members working for governmental agencies, non-governmental organizations engaged in UNDP work areas, or with potential UNDP vendors/suppliers.

59. In total, the Ethics Office issued advice to 152 filers in 2018, or eleven per cent of the filing population. In contrast, the office issued advice to an annual average of 59 filers over the preceding four filing cycles. The significant increase in the volume of advice issued in 2018 is directly attributable to the office's expansion of financial disclosure programme questions, and serves to address previously unidentified areas of risk.

Verification of financial disclosure programme statements

60. The verification of filer information for accuracy and completeness is an essential element of the financial disclosure programme. During the 2018 filing cycle, 20 filers were randomly selected by the office for verification, taking into consideration filer location, grade and gender. With the support of the office, all participants completed their required submission of third party verification documents.

61. To date, during the main financial disclosure programme filing exercise, filers who report that neither they nor their family members have any assets worth \$10,000 or more, or hold any affiliations relevant to UNDP, received automatic clearance of their statements through the online financial disclosure programme system. While the vast majority of such filers are local staff members, some international staff members at senior levels also submit statements declaring that they have no reportable assets or interests. In response to such declarations, in 2018 the Ethics Office additionally sought

verification from 10 automatically cleared filers at the P5 level and above that their statements were accurate. A number of these filers informed the office that they had misunderstood financial disclosure programme requirements and did hold reportable items, which they proceeded to disclose and verify with third party documentation. As a consequence, the office has revised its online financial disclosure programme system so that automatic clearances will no longer be generated. As of 2019, all filers who claim in their financial disclosure programme statements that they have no reportable holdings or interests will receive a personal email requiring them to confirm in writing to the office the accuracy of their submitted information. If not accurate or incomplete, the relevant filer will be required to redo and resubmit his/her statement.

Secretary-General's voluntary public disclosure initiative

62. The United Nations Secretariat Ethics Office administers the Secretary-General's voluntary public disclosure initiative for senior officials at the assistant secretary-general level and above. In 2017, the UNDP Administrator, Associate Administrator and other members of UNDP senior management team participated in the exercise.

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

63. The Ethics Office administers the UNDP policy for protection against retaliation, which is modeled on the United Nations Secretariat's whistle-blower protection policy that entered into force in 2006 (and since amended). Recognizing the importance of whistle-blower protection in promoting the reporting of fraud, corruption and other serious forms of misconduct harmful to the reputation and interests of the United Nations, the United Nations Secretariat developed its policy as a crucial internal accountability mechanism following the General Assembly 2005 World Summit Outcome (A/RES/60/1).

64. Pursuant to the UNDP policy, the office receives complaints of retaliation and conducts preliminary assessments to determine whether a complainant has engaged in a protected activity and, if so, whether the protected activity was a contributing factor in causing the alleged retaliation. If the office determines that a prima facie case of retaliation has been established, the matter is referred to the Office of Audit and Investigations (OAI) for investigation. The Ethics Office then makes a final retaliation determination after conducting an independent review of the completed OAI investigation report and evidential materials.

65. During 2018, the Ethics Office received 47 inquiries relating to protection against retaliation. Of these inquiries, 45 involved requests from UNDP personnel for policy advice and information and United Nations system ethics offices seeking guidance on the handling of specific cases. The received 45 advice requests is an increase from 2017, when the office dealt with 28 protection against retaliation advice matters. This increase is largely attributable to the office's enhanced training and awareness-raising activities in 2018, including its participation in multiple sexual harassment trainings where it provided briefings on the protection against retaliation policy. The increase is also indicative of the office being viewed by other ethics offices as an authoritative source of ethics and protection against retaliation expertise.

66. In addition to providing general advice on policy content and applicability, UNDP personnel who raised workplace reprisal concerns not covered by the policy were advised of other appropriate offices, including OAI, the Office of the Ombudsman, OHR and the Office of Staff Legal Assistance. The office further maintained its 'open door policy' for personnel wishing to provide case updates or to obtain later guidance.

67. Of the total 47 inquiries received, two were formal complaints of retaliation, where the complainants alleged they had been subjected to retaliatory action as a

consequence of engaging in a protected activity. The number of formal filings where UNDP personnel allege retaliation, pursuant to the requirements of the protection against retaliation policy, has remained consistent over the last three reporting cycles, with two complaints submitted in 2016 and three in 2017.

68. The office conducted comprehensive preliminary assessments for both complainant cases, involving reviews of voluminous complainant case documentation, and multiple case interviews, following complainant authorization. In the first case, which involved a non-renewal of contract, the office determined that the complainant had not in fact engaged in a protected activity as required under the policy. While the office nonetheless proceeded to review the circumstances surrounding the non-renewal decision, the reviewed information provided no indication that the decision was taken for any retaliatory or other improper motive. While not finding a *prima facie* case of retaliation, the office advised the complainant on other available internal recourse mechanisms to challenge the contested non-renewal decision.

69. The second complainant alleged that a misconduct report, leading to an OAI investigation against the individual, had been filed in retaliation for her/his own earlier report of misconduct. While the Ethics Office considered that the complainant had engaged in a protected activity, the reviewed case information provided no indication of any connection between the misconduct allegation against the complainant and her/his protected activity. While not finding a *prima facie* case of retaliation, the office again counseled the complainant on other appropriate internal mechanisms to address identified concerns with the relevant investigation.

70. Importantly, the office is also many times asked to intervene and offer confidential advice and guidance to management to help resolve potential retaliation cases before any negative action is implemented. In one such case, a senior leader came to the office with a matter where a staff member who had filed a misconduct charge against a midlevel manager was facing a non-renewal of contract. The senior leader was sufficiently convinced of potential retaliation, and wanted to proactively protect the staff member but required confidential guidance on how to do so without having the staff member formally file a protection against retaliation request. The office provided guidance to the satisfaction of all. The senior leader extended the individual's contract for a time period sufficient to permit OAI and the UNDP Legal Office to complete their respective reviews of the matter.

71. During 2018, the JIU released its review of whistle-blower policies and practices in United Nations system organizations, to which the office provided extensive commentary. While eagerly anticipated, the report suffered from an overly broad statistical focus, leading to a limited number of recommendations of practical application to UNDP.

72. Following revisions to the United Nations Secretariat's whistle-blower protection policy in late 2017, taking into consideration the findings of the JIU report – and in order to aid UNDP efforts to further support and encourage the reporting of sexual harassment and sexual exploitation and abuse – the Ethics Office further reviewed and revised the UNDP policy for protection against retaliation in 2018. Relevant improvements include, *inter alia*, reducing the timeframe for preliminary assessments of complaints from 45 to 30 days, introducing the possibility of interim protective measures during the preliminary assessment stage, and enabling protection for the reporting of misconduct to an external entity in limited circumstances. To enhance policy accessibility, the revised UNDP policy is available in English, French, Spanish, Portuguese and Arabic, with all language versions available on the office's intranet site and public webpage.

73. As whistle-blowing strengthens institutional accountability, the office continues to emphasize, in its interactions with UNDP business units and managers, the importance of fostering a speak-up culture and a workplace environment free of retaliation.

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

74. The Director of the Ethics Office continued his participation at the monthly meetings of the Ethics Panel of the United Nations (EPUN). Mandated to create a unified set of ethical standards, and to consult on complex ethics matters having system-wide implications, EPUN is comprised of the heads of ethics offices of the United Nations Secretariat and the funds, programmes and specialized, and is chaired by the Director of the Secretariat Ethics Office.

75. During the reporting period, the office assisted in drafting proposed terms of reference for the EPUN Alternate Chair, submitted feedback on, inter alia, proposed revisions to the staff regulations and rules of the United Nations, and contributed to EPUN reviews of contested protection against retaliation determinations by other ethics offices. As a member of the Ethics Network of Multilateral Organizations (ENMO), the office also attended the ENMO annual meeting in New York in July 2018. EPUN and ENMO members have additionally continued to independently seek out the office's guidance on a range of ethics issues.

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

76. In its decision 2011/24, the Executive Board called on the Ethics Office to issue recommendations to management on how to strengthen the culture of ethics, integrity and accountability in UNDP. As UNDP leadership continues to demonstrate a sustained commitment to the office's efforts to ensure that ethics remains at the forefront of UNDP business decisions and operations, the office does not issue any management recommendations for the 2018 reporting period.

VI. Conclusion

77. Each year, the Ethics Office continues to systematically modify and improve its ethics programme, incorporating best practises from private and public sectors, and situating itself as a much more robust and proactive presence within UNDP. As a valued partner and resource, senior leadership regularly reaches out to the office to consult on sensitive corporate matters, and to ensure that official decision-making and operations remain fully aligned with the values and expectations of the organization. Management requests for ethics training also continue to be received from UNDP locations across the globe. As evidenced by the dramatic growth in demand for office advice over the last four reporting cycles, UNDP personnel are increasingly aware of the need to consult with the office before actions are taken in order to avoid negative or unintended consequences that could have detrimental impact on the reputation and standing of UNDP.

78. While engaged in expansive ethics training and awareness raising, the success of the office and the trust placed in it by staff and management alike are fundamentally enhanced by the office's commitment to providing pragmatic guidance that has real-world impact and value. By serving as a secure, confidential location where UNDP personnel know they will receive informed, actionable counsel on ethics concerns, the office reinforces its position as a leading proponent and supporter of institutional integrity and effective business operations within UNDP.
