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Items 14 and 15 of the provisional agenda*

**Report of the Office of Internal Oversight Services to
the Executive Board**

Report of the Ethics Office to the Executive Board

Summaries of the report of the Office of Internal Oversight Services to the Executive Board and the report of the Ethics Office to the Executive Board**

Note by the secretariat

I. Introduction

1. In paragraph 6(d) of Decision 2019/4, the Executive Board of the United Nations Human Settlements Programme (UN-Habitat) decided to include in the provisional agenda for its third session of 2023 an item, the report of the Office of Internal Oversight services (OIOS) to the Executive Board and the Report of the Ethics Office to the Executive Board (item 15).
2. In line with requests from Member States, the present document sets out two summaries, one on the report of the OIOS on activities of OIOS for the period from 1 July 2022 to 30 June 2023 (A/78/301 (Part 1), A/78/301 (Part I/Add.1)); and another of the report of the Secretary-General on the activities of the Ethics Office for the period 1 January 2022 to 31 December 2022 (A/78/91).
3. The full Annual Report of the OIOS, for the period from 1 July 2022 to 30 June 2023 (A/78/301 (Part 1), A/78/301 (Part I/addendum 1)) can be accessed on the following link <https://oios.un.org/annual-reports>. The report and the highlight of the activities and milestones undertaken by UN-Habitat shall be presented to the Executive Board of UN-Habitat at its third session of 2023 to be held from 28 to 30 November 2023 under Agenda item 15.
4. The full Annual Report of the Ethics Office, (A/78/91), from 1 January 2022 to 31 December 2022 can be accessed on the following link Activities of the Ethics Office : (un.org). The report and the highlight of the activities and milestones undertaken by UN-Habitat shall be presented to the Executive Board of UN-Habitat at its third session of 2023 to be held from 28 to 30 November 2023 under Agenda item 15.

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** The present document is being issued without formal editing.

II. Summary of the Annual Report of the Office of Internal Oversight Services, Part I, to the Executive Board, from 1 July 2022 to 30 June 2023

5. The mandate of OIOS stems from a call for a broad strengthening of oversight, anchored in General Assembly resolution 48/218B of 29 July 1994, which established the Office as operationally independent under the authority of the Secretary-General in the conduct of its oversight duties. OIOS is mandated to assist the Secretary-General (SG) in fulfilling his oversight responsibilities through the internal audit, monitoring, inspection, evaluation and investigation services of the UN.
6. Since its inception in 1994, OIOS has been guided by all mandates, including General Assembly resolution 48/218B, entrusted to it and has provided the Secretary-General and the General Assembly with reliable, objective oversight information to help them to better understand the risks and challenges faced by the UN.
7. The Office has dual reporting lines to the General Assembly (GA) and the Secretary-General. OIOS reports are submitted to the Secretary-General (SG), or the delegated programme manager. OIOS is mandated to report to the General Assembly biennially and may submit any other reports to the GA as necessary.
8. The OIOS report provides an overview of the oversight activities undertaken between 1 July 2022 and 30 June 2023. It does not cover oversight activities relating to peace missions which are covered by A/77/278 (Part II). The Report is accompanied by an addendum A/78/301 (Part I/Add.1, which provides an analysis of the recommendations and a list of the reports issued during the reporting period.
9. The OIOS issued an audit memorandum relating to cyber security preparedness (AA2022-250-04), one investigation report and one investigation closure report.
10. Case No 0677/22 involved a report that a UN-Habitat staff member had submitted a forged attestation letter to a bank to support their personal loan application. The OIOS investigation revealed that the staff member manipulated their contract end date, to gain the bank's approval for a personal loan. During the investigations, the staff member separated from UN-Habitat. The findings were submitted to the Office of Human Resources for appropriate action and the Office of Legal Affairs for possible referral to national law enforcement authorities.

III. Summary of the oversight activities carried out by the Office of Internal Oversight Services in 2022 on UN-Habitat

11. During the reporting period, OIOS carried out the following evaluations on UN-Habitat:
 - (a) [Thematic evaluation of UN- secretariat support for the sustainable development t goals which focused on: Responsiveness to member state and strengthen the member state capacity to achieve the SDGs.](#)
 - (b) OIOS completed a [thematic evaluation of the youth, peace and security agenda.](#)
12. In addition to evaluations, OIOS provided strategic evaluation support to UN Secretariat entities, including UN-Habitat on establishing evaluation capacity. It has served as a source of evaluation knowledge for Secretariat entities, producing seven evaluation methodology guidelines, issuing two Secretariat-wide evaluation newsletters, and reviewing over 350 Secretariat evaluation reports prior to making them available.
13. 12 out of 13 of UN-Habitat evaluation reports reviewed by OIOS were found to meet quality standards. OIOS shared the reports through evaluation knowledge management platform to serve as good reference for other entities wishing to conduct quality evaluations.
14. OIOS is currently undertaking the mid-term evaluation of the UN-Habitat Strategic Plan 2020–2023. It completed the Inception report in August, and is now in the data collection phase. The report will be available in the first quarter of 2024.

IV. Summary of the Annual Report of the United Nations Ethics Office to the Executive Board, A/78/91, from 1 January 2023 to 31 December 2023

A. Introduction

15. As part of the United Nations (UN) Secretariat, UN-Habitat implements its ethics related activities with the support of the UN Ethics Office. Currently, the Legal Unit serves as the focal point for all ethics related activities. It carries out these functions with the support of the Office of the Executive Director (OED), Human Resources Liaison Office and the Conduct and Discipline Focal Point who serves as the UN-Habitat focal point for all conduct and discipline related matters.

16. The 2022 Annual Report, A/78/91, published on 19 May 2023, was submitted by the Secretary-General to the General Assembly pursuant to General Assembly resolution 60/254, “*Review of the efficiency of the administrative and financial functioning of the United Nations*,” which the Assembly requested the Secretary-General to report annually on the activities of the UN Ethics Office and implementation of ethics policies.

17. This cover note summarizes the *Annual Ethics Report 2022* and highlights the activities and milestones undertaken by the Ethics Office.

18. For reference purposes: **Section I** of Annual Ethics Report provides its *introduction*; **Section II** provides its *background and function of the Ethics Office*; **Section III** provides *general information* of the Ethics Office; **Section IV** details the *activities of the Ethics Office*; **Section V** outlines the background and function of the *Ethics Panel of the United Nations and Ethics Network of Multilateral Organisations*; and **Section VI** provides the *observations and conclusion of the Annual Ethics Report* and requests the General Assembly to take note of the Report.

B. General information

19. **Section III** of the Annual Ethics Report provides the *general information* relating to the operations of the Ethics Office. The said section provides that the Ethics Office received 1,822 requests for services from 1 January to 31 December 2022. Unlike the previous year, 2022 saw more men (71) than women (61) making claims of protection against retaliation for reporting misconduct and cooperating with audits and investigations. It is worth mentioning that as of 31 December 2021, women represented 40.3% of UN Secretariat staff.

C. Activities of the Ethics Office

20. **Section IV** of the Annual Ethics Report relates to the overall functions of the Ethics Office of which, are summarised below:

(a) **Advice and guidance** – The Ethics Office provides advice and guidance on matters relating to ethics. The number of requests for ethics advice increased from 836 in 2021 to 915 in 2022, representing a 9 per cent increase.

(b) **Financial disclosure programme** – Established pursuant to staff regulation 1.2 (m) and (n), and Secretary-General’s bulletin **ST/SGB/2006/6**, the Ethics Office administers the United Nations financial disclosure programme and assists designated staff members in identifying, mitigating and managing conflict-of-interest risks. During the 2022 filing cycle, 5,149 filers participated, representing an increase of 106 compared with the 2021 cycle. In the case of UN-Habitat, 35 staff members were requested to file their financial disclosure statements in the 2022 filing cycle. All 35 staff members complied with the request.

(c) **Protection against retaliation** – Ethics Office reviews requests for protection. The (ST/SGB/2017/2/Rev.1 on “*Protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations*”, encourages individuals to report fraud, corruption and other potential misconduct without the fear of retaliation. In 2022, the Ethics Office received 139 requests from Secretariat entities and 1 request from ICAO. No cases on protection against retaliation were submitted to the Ethics Office by UN-Habitat staff members in 2022.

(d) **Training, education and outreach** – With the lifting of the ban on some pandemic-related travel restrictions, the Ethics Office recommenced travel to conduct ethics training, education and outreach, while also continuing to engage in a virtual format. The Ethics Office conducted 169 ethics outreach services, including 40 induction briefings for newly appointed staff at

the level of Assistant Secretary-General and above, as endorsed by the General Assembly in its resolution 65/247, as well as for senior mission staff and resident coordinators. UN-Habitat has ensured compliance among its personnel with all mandatory ethics trainings and leadership dialogue sessions.

(e) **Standard-setting and policy support** – provided advice and support to other departments, offices and various United Nations entities in developing or updating policies and standards pertaining to ethics and integrity. In 2022, the Office participated in or commented on 33 policy and standard-setting matters, often involving multiple and ongoing consultations. The UN-Habitat Legal Unit provides advise to staff members and senior management on ethical issues including those relating to outside activities, conflict of interest, retaliation and financial disclosure.

D. Ethics Panel of the United Nations and Ethics Network of Multilateral Organizations

21. **Section V** of the Annual Ethics Report provides the background and function of the *Ethics Panel of the United Nations and Ethics Network of Multilateral Organisations*. The Ethics Panel of the United Nations is mandated to create a unified set of ethical standards and policies and to consult on complex ethics matters that have system-wide implications, as set out in Secretary-General's bulletin ST/SGB/2007/11 and ST/SGB/2007/11/Amend.1. Established in November 2007 and composed of the heads of the ethics offices of the Secretariat and separately administered organs and programmes, the **Panel is chaired by the Director of the Ethics Office of the Secretariat**. The Panel held 11 formal sessions in 2022.

E. Observations and conclusion

22. The Secretary-General welcomed the timely approval by the General Assembly of the various proposals made by the Secretary-General in the 2021 report (A/77/75) to enhance the independence of the Ethics Office. In the same vein, the Secretary-General notes that Ethics has evolving needs for more resources, particularly in enhancing their presence in the field.

23. In the case of UN-Habitat, since the Conduct and Discipline Focal Point is in the legal office, it is recommended that a full time Ethics Officer/ Conduct and Discipline Focal Point be appointed at the P-4 level.

24. This Annual Ethics Report and its highlights of the activities and milestones undertaken by UN-Habitat in implementing the activities and policies of the UN Ethics Office within UN-Habitat shall be presented to the Executive Board of UN-Habitat at its third session of 2023 to be held from 28 to 30 November 2023.
